INDIA'S No.1* STRUCTURAL STEEL TUBE COMPANY

APL APOLLO STEEL PIPES

REVOLUTIONISE

STEEL BUILDING SOLUTIONS

*India's No.1 by Market Share

APL APOLLO TUBES LIMITED
INTEGRATED REPORTING &
FINANCIAL STATEMENTS 2021-22

ABOUT **THIS YEAR'S REPORT**

AT APL Apollo Tubes Limited (APL Apollo), we are pleased to present our third Integrated Annual Report. This is one of our principal communication documents catering to all our stakeholders.

Our Approach to Reporting

Through this Report, we aspire to provide our stakeholders an all-inclusive depiction of the organisation's value creation ability using both financial and non-financial resources. The Report provides insights of our key strategies, operating environment, material issues, mitigation strategies, operating risks and opportunities, governance structure and our approach towards long-term sustainability.

This Report contains **comprehensive information on our operational and financial performance and how these influence our strategic direction, resulting in our ability to create sustainable value.**

Reporting Period, Scope and Boundary

The reporting period for this Integrated Report is 1 April 2021 to 31 March 2022. It provides an overview of our operations and business development activities. The Report, further, covers information on our business segments in India and abroad, along with associated activities that enable short, medium, and long-term value creation.

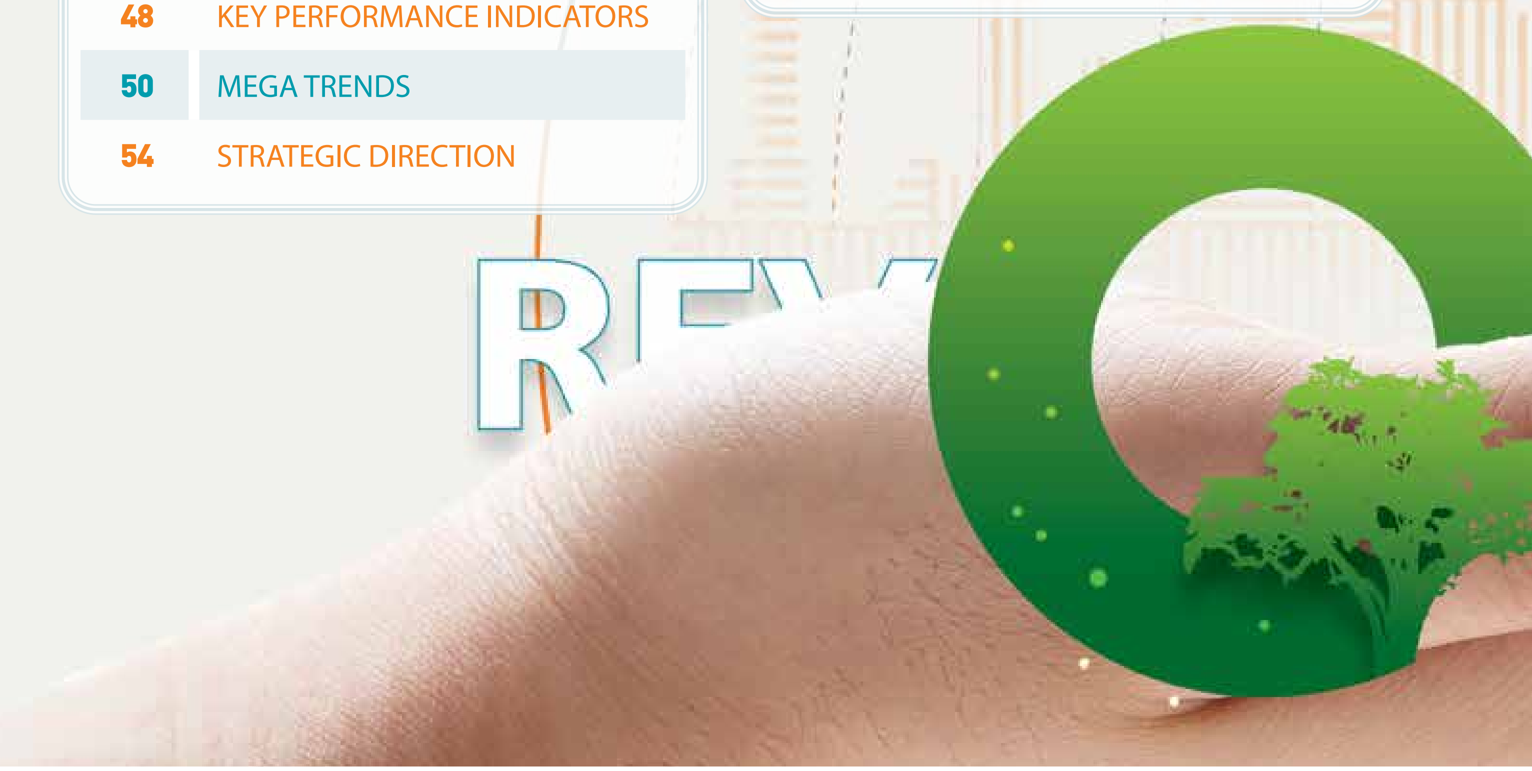
Reporting Standards and Frameworks

In this report, we have attempted to bring in more transparency and accountability through the disclosures and information provided in the initial pages of the Report, following the guiding principles of the International Integrated Reporting Council (IIRC). The other statutory reports, including the Board's Report, Management Discussion and Analysis (MD&A) section, the Corporate Governance Report and the Business Responsibility Report, are in line with the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the prescribed Secretarial Standards.

Management Assurance

Our Company's senior management, under supervision of the Chairman and Managing Director, has reviewed the Report content. The Board members of our Company have provided the required governance oversight.

WHAT YOU WILL FIND



18-20 MANAGEMENT OVERVIEW

21-22 FINANCE OVERVIEW

There are enterprises and there are enterprises.

And then there are disruptors.

Disruptors who have the vision to think beyond the visible.

They ideate and create concepts when most are selling largely commodity products (albeit with tweaks in the name of value-addition).

They build the market size when others are jostling for market space.

UTIONISE

APL APOLLO IS ONE SUCH MAVERICK THAT HAS AND CONTINUES TO **REVOLUTIONISE ITS BUSINESS SPACE WITH NOVEL SOLUTIONS THAT SET TRENDS FOR OTHERS TO EMULATE.**

REVOLUTIONISING

CONSTRUCTION IN **INDIA**

WE are at a cusp of an exciting phase in the construction industry, where the traditional methods are paving way for environmentally friendly tubular construction in India.

APL Apollo being the market leader is leading this **revolutionary** transformation with all the stakeholders to lay the foundation for a cleaner and sustainable India.

TUBULAR TECHNOLOGY. **THE GAME CHANGER WHOSE TIME HAS COME.**

It is prevalent across the world. This is why skyscrapers come up in days.

The all-steel superstructure is made at factories. Brought to the site. And fitted.

It is now going to populate India's skyline.

Well, the story has already begun.

APL APOLLO'S REVOLUTIONARY JOURNEY HAS BEGUN. **WE HAVE RECEIVED A 15,000-TONNE SHOWCASE PROJECT.**

Our Products are being used in

6 Medical Buildings

in Delhi

for creating a

1.8 mn sq. ft.

built-up area using Tubular technology.

The work had started in six medical building sites.

We have despatched ~10,000 tonnes of tubes to these sites.

The erection works are almost completed at 5 sites.

We are proud to mention that this is one of the fastest constructions of the superstructure for a multi-story building with an area covering more than 500,000 sq. ft. Our work sites:

SITE-**1**

SITE-**2**

SITE-**3**

SITE-**4**

SITE-**5**

SITE-**6**

We have made several presentations to construction agencies, structural consultants, civil engineers, architects and builders across India. They ask two questions.

1) Why Tubular Technology?

We were prepared with our homework. So, here's why. This technology provides eye-popping benefits which just cannot be overlooked.

One, when you move to steel tubes, the area covered by vertical sections reduces. Hence, the carpet area increases by 2-3%. **Higher returns.**

Two, you save immense time on the construction of the superstructure, which will result in significant savings in interest costs for the builder. **About a year's interest cost is saved.**

Three, you can pre-advance your cash flows if it is an institutional building for medical building, hotel, or school purposes. **Generating solid Liquidity.**

As a result, adopting this technology is a no-brainer for the building world.

2) Where is it deployed?

For this, we had two options. Either take the building world on a tour across the world. Or demonstrate the same in India.

We chose the latter. For it demonstrates the confidence in our belief and technology. We created our largest tube plant, which also happens to be India's largest tube facility, deploying our novel tubular technology.

AN AREA OF 1.8 MN SQ. FT IS BEING BUILT **USING 100% APOLLO COLUMN TUBES.**

Our strategy has worked. It has opened the floodgates for this new technology. Currently, we are evaluating multiple enquiries that promise to fill in our capacities right from the word go. It includes a Hotel in Bengaluru and a Night Shelter in the Indian capital.

30
Projects

20 mn sq.ft.
Visibility

0.1 mn
Heavy structural tube demand (tonnes)

REVOLUTIONISING

THE LAST MILE

STEEL is more universal than ever before.
But are you aware of the new applications?
Do you even know the new-age applications?
Would it even occur to you that steel not only addresses all pain points but amplifies home aesthetics?
Did you ever consider an app for steel products?
You thought apps were only for direct consumer-facing sectors?

WELCOME TO THE NEW REVOLUTION. OUR B-2-C, 'AALISHAAN' APP.

In its effort to reach out to the end consumer, APL Apollo has launched this intelligently developed mobile application to create the awareness of end application of steel tubes.

AALISHAAN

This first-of-its-kind application makes it seamless for users to access an exclusive steel home décor library (comprising 300+ designs) and at the same time, connect with their nearest fabricators to place steel furniture service requests, and get them made at their respective doorsteps.

We launched our app in
February 2022.
We have received a heartening response with
60,000+ downloads
from end customers.

Moreover, we have enrolled
25,000 fabricators
from 110 cities.

We have registered
200
transactions through this App.

They are the true opinion influencers for our products. With this app and their enrolment, they become our on-the-ground brand ambassadors for the APL Apollo brand to the customer.


APL APOLLO
AALISHAAN

OUR CARE FOR THE **EARTH**

CLIMATE change and environmental protection have become the buzz words across the world at global forums, and in one-on-one interactions; political circles and industry meets.

Interestingly, APL Apollo's edifice rests on the foundation of protecting the Earth.

- We develop and deliver products that replace wood and aluminium
- We make contemporary variants of conventional steel products using a fraction of the steel historically used
- We leverage technology that minimises wastage - at our end and that of the end user
- We deploy processes that multiply the life of steel

Our pledge to take care of the Earth manifests at our facilities. Some of our facilities are Zero-Liquid discharge. Our current renewable energy portfolio stands at 80 MW. And we continue to increase our reliance on sustainable power sources. We have set up Rain-Water Harvesting (RWH) pits at three of our plants in North India and are planning on scaling it up to the other locations. Our total capacity of the RWH pits is 353 m^3.

We are

the first company

in the structural steel tubes space to become ESG Compliant.

We have only strengthened our resolve in reducing our carbon footprint going further. Towards this objective, we have set up goals and strategies. They include:

- All our facilities will have access to renewable energy by 2025
- Rainwater harvesting solutions will be installed at all units by 2025
- All our units will be Zero-Liquid Discharge facilities by 2025
- We will start monitoring Scope 3 emissions by 2022

FOR OUR NEXT GENERATION, WE HOPE TO LEAVE A WORLD THAT IS **BETTER THAN WHAT WE INHERITED FROM PREVIOUS GENERATIONS**

AN INDUSTRY-BEATING PERF

RMANCE

54% growth YoY

Revenue from operations:
FY**22**: ₹130,633 mn
FY21: ₹84,998 mn

39% growth YoY

EBITDA:*
FY**22**: ₹9,452 mn
FY21: ₹6,787 mn

**EBITDA is excluding Other Income*

55% growth YoY

Profit After Tax:**
FY**22**: ₹5,573 mn
FY21: ₹3,602 mn

**Net Profit is after non controling interest

1

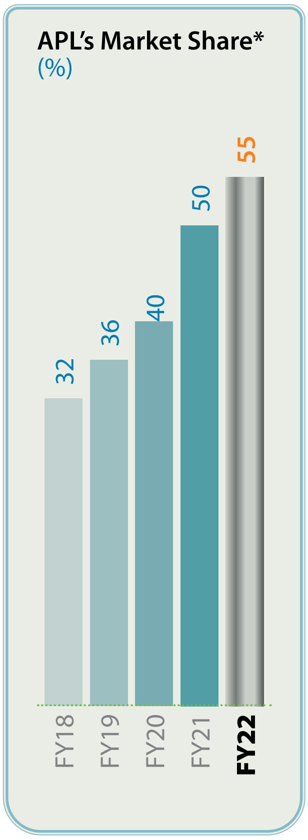
WE CONTINUED WHERE WE LEFT OFF. THIS TIME WITH **GREATER PASSION!**

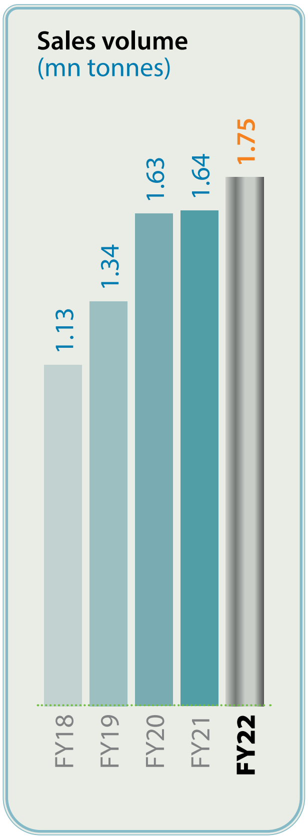
THE second wave of the pandemic was more intense in its spread and lethal in its impact. We took care of our people. They in turn took care of the business. Leaving no stone unturned to scale new heights.

A resurgent India tamed the second wave with speed. As industrial activity and infrastructure creation resurfaced, demand resurged. We leveraged our expansive dealer network to capitalise on mushrooming opportunities.

Even as we entrenched deeper into existing markets, we continued to identify new opportunity pockets.

We grew our market share by **10%** over the previous year in an otherwise challenging environment





*As per Industry data

WE STRETCHED TO MAXIMISE **VALUE-ADDITION.**

2

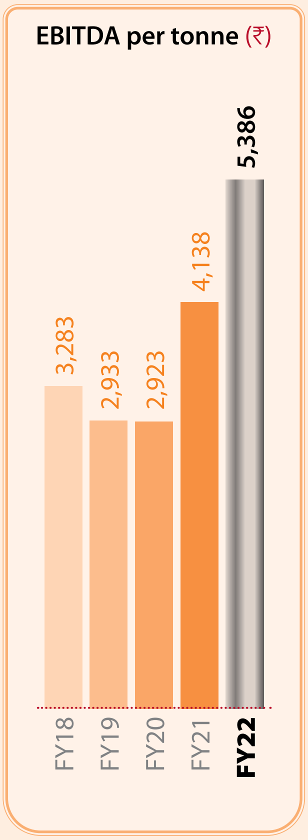
AT APL Apollo, our job is to manufacture and sell structural tubes, but our passion is to ideate novel products for niche applications.

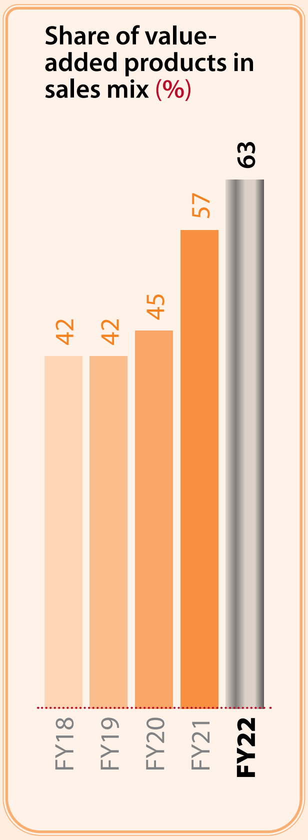
This is what we have faithfully done over the last one decade - launched innovative products that have widened the application of structural tube, grown its market size and our market share within this space.

Every year we work passionately to increase the awareness of our basket of value-added products. This year was no different. As a result, the share of value-added products in our sales mix increased appreciably.

Our revenue basket altered from a dominance of commodity products in FY18 to the value-added segment emerging as the dominant contributor in FY22 (63%).

Our EBIDTA per tonne jumped by **30%**





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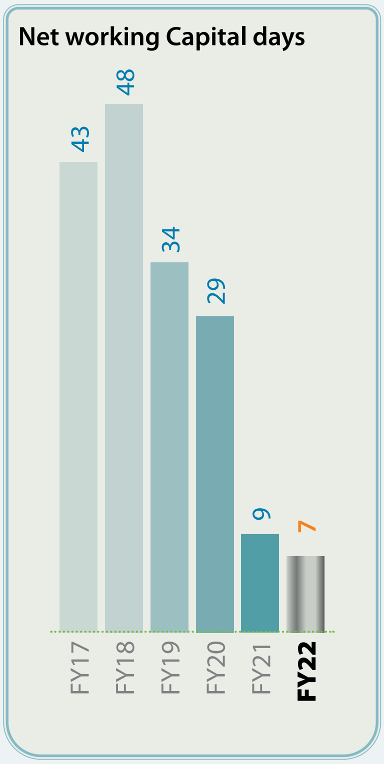
WE IMPROVED OUR WORKING CAPITAL CYCLE IN A **DIFFICULT MARKET.**

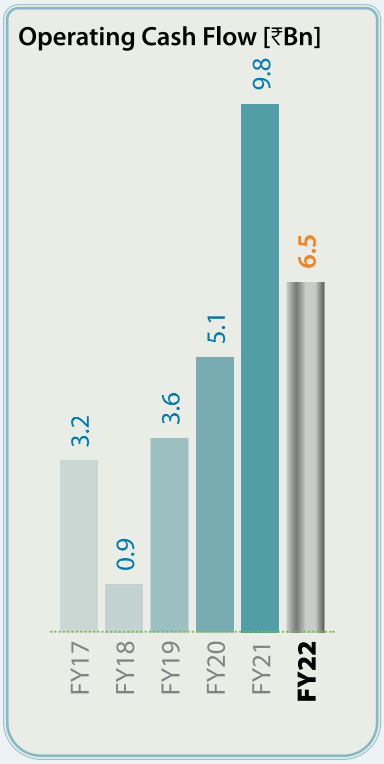
IN the aftermath of a difficult start to FY22, it would have been relatively simple to have shifted back to our earlier policy of sales on credit. We could have supported our decision with multiple reasons.

But, we chose to stick to our cash sales practice. For one reason. We knew the strength of our product.

We continued to engage with our dealers to showcase the benefit of this practice on their business. They saw merit in what we said. Our practice became an industry benchmark. Our brand emerged stronger. Our working capital cycle improved.

We have the lowest Debtor days in the **Building Products** sector in India





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WE CONTINUED TO **INVEST** IN OUR BUSINESS.

AT APL Apollo, we are hungry to grow. For two reasons **1)** our niche products need new capacities and **2)** when we grow, we support India's progress.

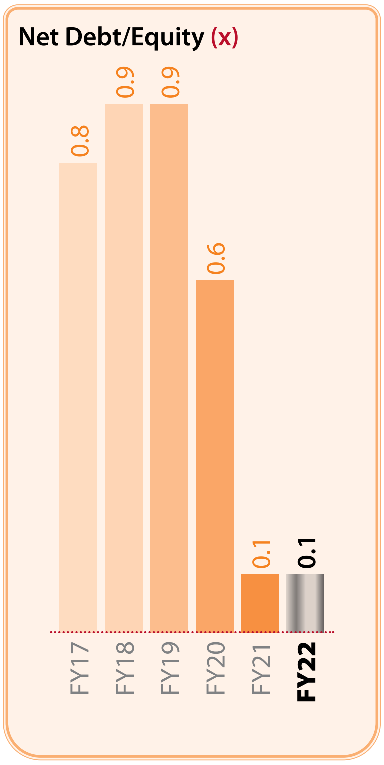
But our growth ambition is tempered with responsibility rather than recklessness. So instead of drawing debt to fund growth, we chose the more pain staking yet increasingly sustainable way - internal accruals.

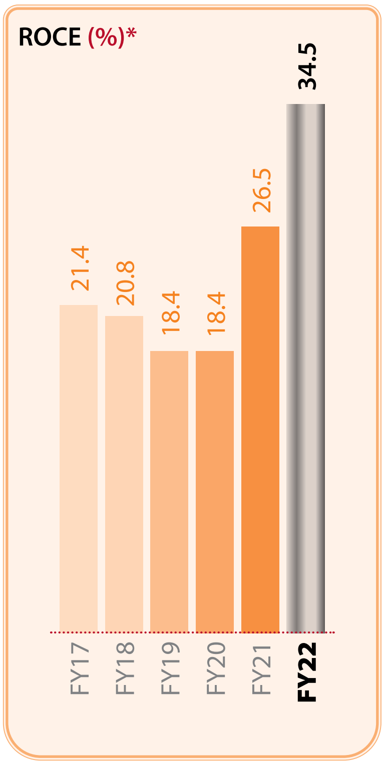
We focused on building our cash reserves... by optimising costs, increasing sales of value-added products and collapsing our working capital cycle.

Over the years, we continued to reduce our debt portfolio and invest in capacity building initiatives with a skew towards innovative products.

In the last three years, we repaid ₹5.8 billion debt and invested ₹11.7 billion in capacity building - ensuring that every rupee earned is efficiently utilised in growing the business.

Going forward, we will fund ₹6.5 billion capex planned in FY23 and FY24 from our internal accruals. Further **shoring our return ratios**





*Capital employed for ROCE is computed as (Total Asset- Current Liabilities-Cash)

FROM THE **CHAIRMAN'S DESK**

REVOLUT

BUSINESS SPACES IS SOMETHING WHICH COMES TO US **NATURALLY...**

IONISING

...THIS IS WHAT MAKES US RELEVANT. THIS IS WHAT WE HAVE FAITHFULLY DONE OVER OUR BUSINESS JOURNEY. **THIS IS WHAT WE WILL CONTINUE TO DO OVER THE FORESEEABLE FUTURE.**

SANJAY GUPTA, CHAIRMAN

DEAR SHAREHOLDERS,
I TRUST YOU ARE ALL SAFE.
IT IS A **HAPPY TIME TO SHARE MY THOUGHTS.**

Despite the strong headwinds, we successfully bettered our performance a few notches higher.

FY22 was a very eventful year. We started the financial year with India in the grip of the second wave of the pandemic. It hit the nation badly exposing the fragilities in our healthcare system and demonstrating the strength of resilient Indians to not relent. And by the time we closed the year,the Russia-Ukraine crisis assumed center stage as it adversely impacted economies, the global supply chain, prices of food grains, commodities, fuel and almost everything. We too were impacted by these challenges significantly.

But I am very glad to share that we have ended FY22 on a **high note.**

We were able to make a perfect pyramid with sales volume growth of 7%, EBITDA rising by 39% and PAT rising by 55%. We closed FY22 with the highest ever volume of 1.75 million tonnes.

OUR AVERAGE EBITDA PER TONNE IMPROVED TO ₹5,386

from ₹4,138 per tonne in the previous year owing to the sharpened focus on value addition, brand building and market fold which we saw in the first half of FY22. Our value-added sales mix improved to 63% from 57% in FY21, as we witnessed exceptional growth in our coated tubes and heavy structural tubes. Our Balance Sheet strengthened further owing to our strong cash flow generation of ₹6.5 billion. Our operating cash flow to EBITDA was 69% which I believe is an exceptional performance.

The net working capital remained at 7 days which is again the best in the industry; we could sustain the working capital days at a single digit. This was because we sustained our efforts in maintaining a hawk eye on every aspect of working capital - inventory, receivables, vendor management, etc.

Our ROCE (Return On Capital Employed) improved to 35% from 26% in FY21. This is the critical performance ratio looked upon by the entire analyst community for it showcases returns earned from every rupee invested in the business. Our industry-beating ROCE shows the inherent strength in our business, our age-relevant investments, our asset turnover ratio, rising margins and low working capital cycle.

But, I firmly believe that there is considerable scope for improving our metrics by enhancing the value addition quotient in APL Apollo.

So how do we make that happen? For this, we have crafted a three-pronged plan: **1)** Grow volumes **2)** Increase margins, and **3)** Enhance brand awareness. I am happy to state that we are moving towards this goal with speed.

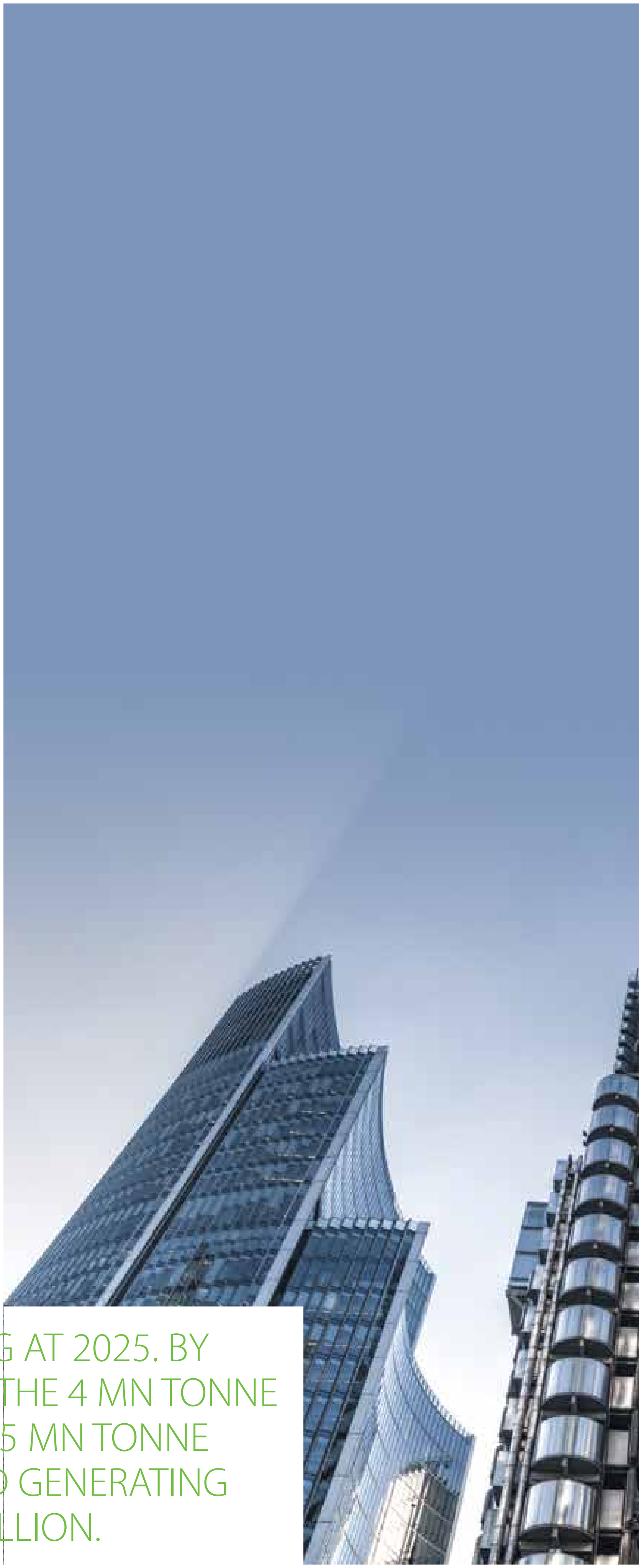
OUR RAIPUR PROJECT IS THE MOST IMPORTANT MILESTONE IN THIS JOURNEY FROM BOTH VOLUME AND VALUE PERSPECTIVE.

Because this facility will add about 33% of capacity to our envisioned goal. Moreover, the products we plan to manufacture in this facility will significantly uplift our blended EBITDA closer to the desired level. This project is taking shape well. We have invested ₹4.6 billion in this project (up to March 31, 2022), and the balance will be invested in the next 12-18 months. While small despatches have started from the facility, we are confident of commencing the first phase of this project in the first half of FY23.

I am pleased to mention that our strategy and efforts for launching Apollo Columns have worked wonders. We have been successful in using this product for introducing the sophisticated tubular technology for pre-engineered buildings in India. Our teams have worked relentlessly in securing multiple projects for creating super-structures of large buildings deploying this technology. When the deployment of this technology gains momentum, and I am convinced it will happen very shortly, our operating margins will improve considerably.

Additionally, we are strengthening our distribution presence and product awareness to facilitate seamless sales of our additional volumes. We have taken important steps in this direction.

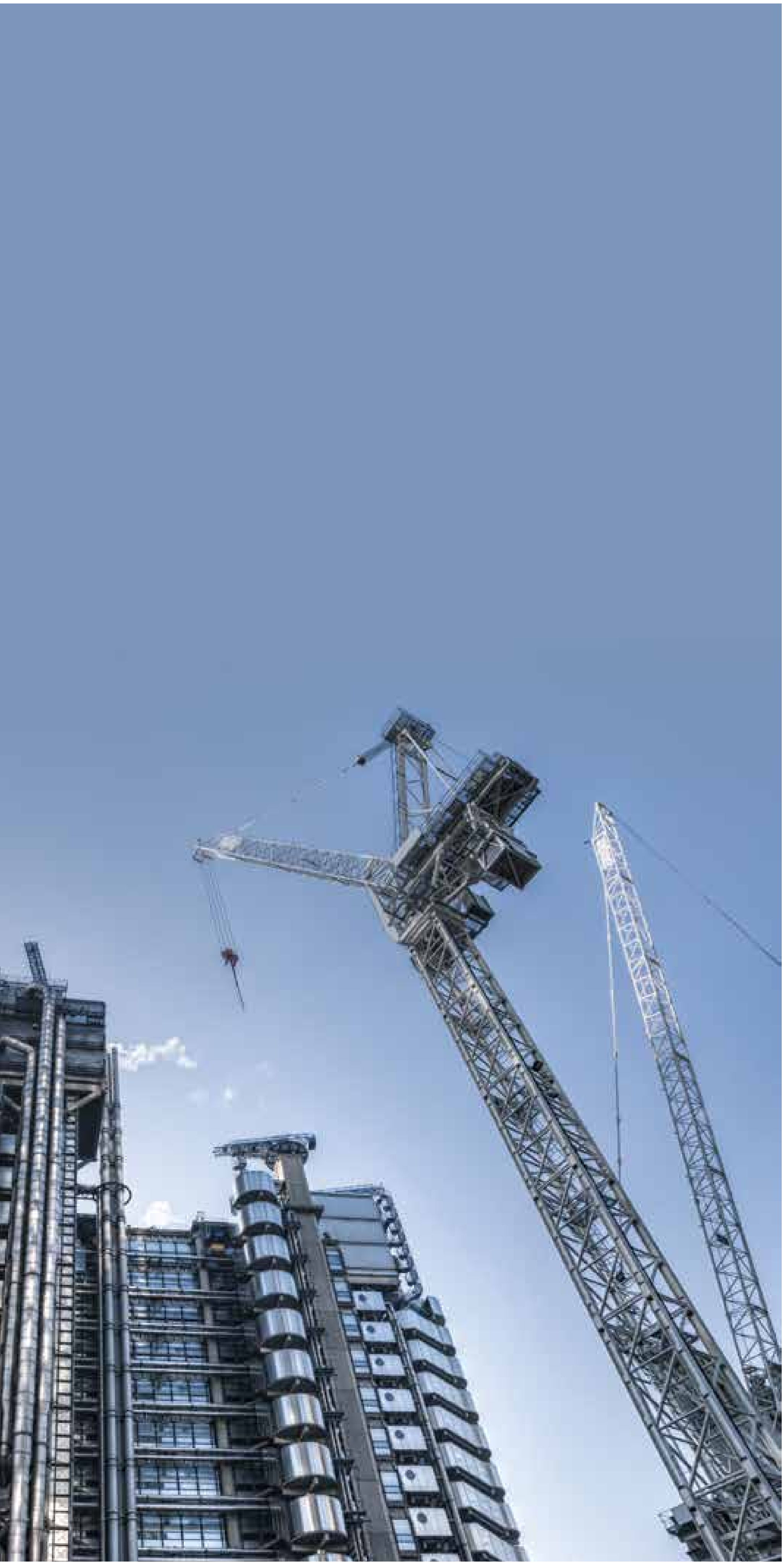
One We have made a ₹755 million investment in Shankara through open market purchase of equity shares. Further, APL will infuse additional amount of ₹1,050 million through convertible warrants over next 18 months our largest distributor. This is a strategic initiative to strengthen our presence in South India - a large and growing construction market. They have a robust distribution network and we believe that strengthening this relationship will lead to significant volume growth and value accretion.



We enrolled Bollywood celebrity Tiger Shroff as our brand ambassador. We launched a massive campaign around our new brand ambassador through TV commercials and social media platforms which has generated a heartening response and enlarged our brand visibility. Along with this, we launched consumer focused mobile application 'Aalishaan'. This consumer-facing initiative has gained considerable traction and is poised to cement the Apollo brand in the minds of discerning customers.

Innovation is another area where will focus our energy. While I am excited about our prospects about our heavy columns and colour-coated tubes which should see the light of day shortly, I am also cognizant that there are several segments where we are not present. In due course, we may look into these segments at a later date. But this will happen only after our Raipur facility is commissioned.

TODAY I AM LOOKING AT 2025. BY THEN I AIM TO BE AT THE 4 MN TONNE SALES MARK WITH A 5 MN TONNE CAPACITY MARK AND GENERATING AN EBITDA OF ₹20 BILLION.



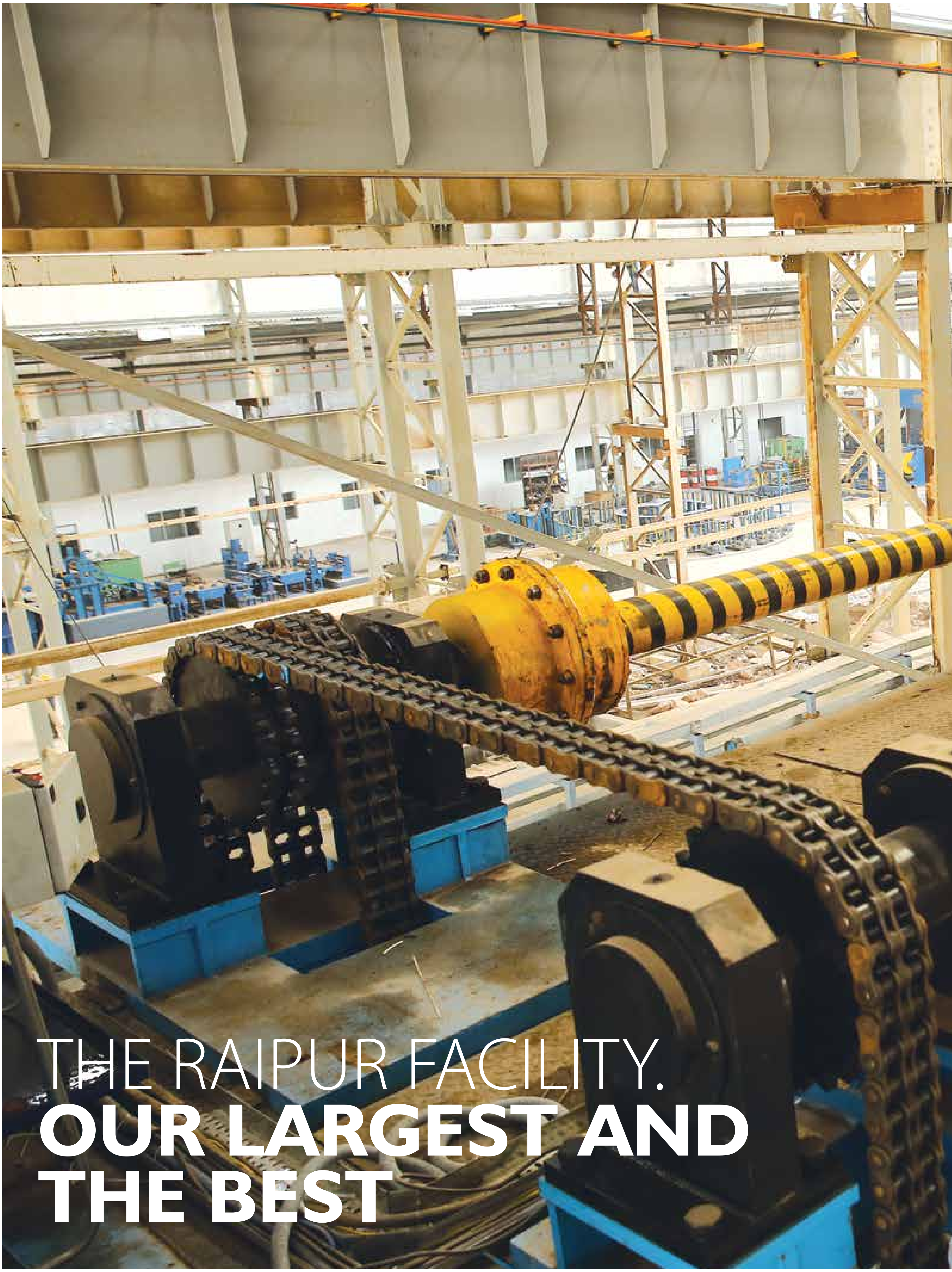
I am a 'tubes' man. I will only focus on making tubes better to widen their application and grow the market.

I remain thankful to the Government for crafting policies and schemes that continue to promote infrastructure creation in the nation. The recent Union Budget is a testament to my words. The Government's unceasing thrust on creating world-class infrastructure has and will continue to drive demand for our products.

I look into the future with optimism. I will bring in the power of disciplined creativity to find newer and newer ways to grow. And then seize these opportunities with determination, one day at a time, one relationship at a time. I appreciate your support as we unpack new products and solutions that will continue to REVOLUTIONISE the business spaces we serve.

Warm regards,

SANJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR



THE RAIPUR FACILITY. **OUR LARGEST AND THE BEST**


1.5
Total Capacity (mn tonnes)
8
Investment (₹billion)

FOR APL Apollo, this Greenfield facility is much more than just another facility. It is the path that will enable the Company to achieve its FY2025 goal. It will be the key volume and value driver for the Company.

Why did we choose Raipur? We see Raipur as the hub for Indian structural steel tubing. Its geographic location allows us to feed all key markets seamlessly. Further, its proximity to steel mills facilitates the seamless sourcing of raw materials. If we do a suitability ranking of 10 places in India for such a facility, Raipur would feature among the top two. It became our natural choice.

What will we make in this unit? Our unit will only make value-added products some of which are first-time products for the Indian markets.

We have planned mainly three product categories **1)** colour-coated products, **2)** colour-coated tubes and **3)** heavy structural tubes.

Colour-coated products: This is an in-demand product being made by multiple players who earn healthy double-digit margins. We will market this product through our existing distribution network. Our capacity for this product will be 0.5 million TPA.

Colour-coated tubes: This is a niche product. Globally, colour-coated tubes are being manufactured but they are round tubes that are used for chemical or gas transportation. We will make square angle colour-coated tubes that are not made anywhere in the world. We are positioning this product as a environment-friendly and aesthetically superior variant to conventional products like wood and aluminium. It can be used inside homes for various décor applications. It can also be used in industrial sheds under pre-engineered buildings. Our team has begun to create the market for this product at the trade and OEM levels. Our capacity for this segment is 0.5 million TPA which is further divided into interesting five sub-products.

Heavy structural tubes: We will manufacture heavy structural steel tubes of 500x500 mm. This is an extension of our existing portfolio (300 x300 mm structural steel tubes) which we had launched almost 4 years ago - we were the first to launch this product. This product is being used in our prestigious Delhi medical building projects. But now, we are getting enquiries for high-rise building up to 30 floors and for larger span industrial sheds and warehouses. For these products, we plan to use our 500 square diameter products. Interestingly, we are among 3-4 companies globally to offer this product.

What is the project status? We expect this plant to become partially operational from the first half of FY23. Although in Q4 of FY22 we have started production with small 380tonnes of dispatch which is increasing with every passing week. We are confident that from Q3 of FY23 onwards, we will see a significant contribution from Raipur kicking in. We have spent around 60% of the total budgeted capex of ₹8 billion and the rest would be spent in FY23. This will be funded from the internal cash flows.

What do we expect out of this facility? The contributions from this plant are key to our FY25 aspiration in terms of reaching 4 mn tonnes of sales volume.

Our Raipur plant would be a showpiece for our tubular technology and our heavy structural tubes as it would be India's largest industrial complex whose super structure comprises tubes. It only adds a watermark to our belief that there lies a vast opportunity for our heavy structural tubes.


THE C

APL Apollo Tubes, led by Shri Sanjay Gupta, the Chairman of the Company, is the largest producer of branded structural steel in India.

HEADQUARTERED in New Delhi, the Company enjoys an entrenched presence in the India market. This is facilitated by its pan-India manufacturing facilities, and a multi-tier distribution network. The Company's facilities are ISO: 9001-2008, ISO 14001-2004 and OHSAS 18001:2007 certified.

Business operations are strategised by a professional leadership team comprising experts in their field; the day-to-day operations are managed by a young and agile team of 2,137 members.

MISSION

Pursuing Excellence towards achieving our economic, social and environmental goals

To lead the Process of transformation from commodity to value-added consumer products

To meet consumer requirements with high-quality products at competitive prices

Emerge as a one-stop-shop for the largest spectrum of structural steel tubes and to attain the pole position

To create sustainable value for all stakeholders

VALUES

LEADERSHIP: Our strategy to strengthen our technical capability and operational efficiency will enable us to remain an undisputed leader for many years to come.

MILESTONES: The journey through the years and important turning points in APL Apollo's emergence.

QUALITY & MANAGEMENT: The Company invested in advanced technology, ensuring the finest product quality and production efficiency for its customers and stakeholders.

OUR KEY NUMBERS

1,30,633
Revenue (₹million)

9,452
EBITDA* (₹million)

5,573
Net Profit** (₹million)

22,640
Networth (₹million)

5,806
Total Debt (₹million)

28,801
Capital Employed*** (₹million)

3,764
Cash and Bank balance (₹million)

2,28,781
Market capitalisation (₹million)

*EBITDA is excluding Other Income
**Net Profit is after non controling interest

***Capital employed is (Total Assets-Current Liabilities-Cash)

MICHAEL PORTER'S **5-FORCES MODEL**

OUR EDGE IN THE **MARKET PLACE**

THREAT OF ENTRY

- Largest player in the structural steel space
- Expansive and entrenched distribution network across India
- Technology advantage leading to pioneering solution
- Significant financial muscle (doubled capacity every 3rd year without debt)
- Unmatched brand strength leading to top-of-the-mind recall with end consumer

BARGAINING POWER OF DISTRIBUTORS

- 50% market share in structural steel tubing industry
- Slew of new SKUs and pioneering products; increased footfalls
- Developing a hub-and-spoke model to service dealers faster
- Distributors can churn capital upto 8x in a year which helps them generate high ROCE

BARGAINING POWER OF SUPPLIERS

- Features among Top 3 customers for large steel producers
- Accounts for 2% of Indian steel consumption and 10% of Indian HR coil consumption
- Enjoys considerable negotiating leverage with suppliers

THREAT OF SUBSTITUTE

- Structural steel is substituting conventional material
- No real substitute to match the strength of structural steel

INDUSTRY RIVALRY

- APL Apollo enjoys a more than 55%* share of the structural steel tube market
- Some peers are faced with high debt issues which make them uncompetitive
- Some others are not in direct competition as they do not deal with similar application segments

*As per industry data

OUR NATIONWIDE PRESENCE

11 Plants

29 Sales Office

800 Dealers & Distributors

2000 Towns & Cities

1,00,000 Retailers & Fabricators

OUR PRODUCT BASKET

APL Apollo has the widest product basket comprising products that perfectly fit every application. Its products are broadly divided into 14 different categories. Some of them are, Apollo Structural, Apollo Z, Apollo Galv, Apollo Tricoat, etc. The Company's products are certified by reputed international agencies like SGS (France) and CE (Europe) and are also BIS marked.

Moreover, the Company's ability in creating new markets by launching pioneering products over the past decade has widened the market size and its market share in this exciting business space.

1,500
SKUs

36
Brands

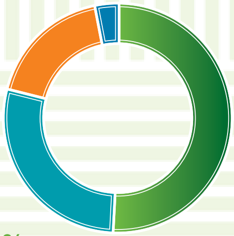
OUR **SALES BASKET**

Product category	Sales Mix	Application
Apollo Structural	55%	Structural, Piling, Sheds, Handrails, Gates, Fencing, Balcony Grill, Staircase, Light Structures, Structural for Metros, Airports, Stadiums, Stations etc., Heavy Equipment
Apollo Z	27%	Galvanized structural steel tubes for coastal markets
Apollo Galv	4%	Door Frame, Staircase Steps, Furniture, Plank, Designer Tubes,Fencing, Electrical Conduits
Apollo Tricoat	14%	Galvanized Structural, Greenhouse Structures, Plumbing, Firefighting
Apollo Build* New Raipur facility		Colour coated products

* It contributed 0.02% to the Sales Mix

Sales split

Sales by user sector



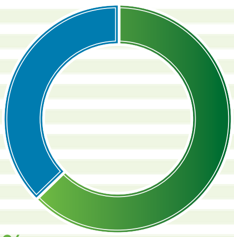
51% Building material (Housing)

28% Building material (Commercial)

18% Infrastructure

3% Others

Sales by value add



63% Sales of value-added products

37% Sales of commodity products

OUR PRODUCT VERTICALS & BRANDS

PRODUCT CATEGORY

Apollo Structural
Structural steel construction material:
Residential, Commercial, Infrastructure

Apollo Z
Galvanized structural steel construction material:
Residential, Commercial, Infrastructure

Apollo Galv
Galvanized steel tubes:
Residential, Commercial, Agri, Industrial

Apollo Tricoat
Home improvement products

Apollo Building Products
Colour-coated products

BRAND LOGOS

MATERIALITY **ASSESSMENT**

MATERIAL concerns are those that have a direct or indirect impact on a company's operations and footprint, as well as the company's economic, environmental, and social value.

APL Apollo recognizes that sustainable development entails not just addressing material challenges relating to corporate operations and strategy, but also identifying and prioritizing its most important challenges based on stakeholder concerns.

The Company has identified, through stakeholder engagement activities, topics that are material to its business as well as stakeholders. These issues are deeply relevant to our ability to succeed and are addressed in our stakeholder communications, internal strategic priorities and corporate responsibility approach.

During the reporting period, the list of material topics was revalidated through internal stakeholder consultations, which took into account the views and opinions expressed by both internal and external stakeholders.

RESPONSIBLE BUSINESS
Corporate Governance | Market Presence | Economic Performance

RESPONSIBLE OPERATIONS
Energy Management | Water & Effluent Management| Emissions Management | Waste Management | Environmental Compliance

RESPONSIBLE EMPLOYMENT
Health & Safety | Labour Relations & Human Rights | Training & Education | Diversity & Equal Opportunity

RESPONSIBILITY TOWARDS COMMUNITIES
Local Communities

RESPONSIBLE BUSINESS	
Corporate Governance	
Performance indicators	**Targets**
• Number of cases in violation of code of conduct • Awareness on code of conduct to all employees	• Zero cases of violation of code of conduct • Yearly training on Code of Conduct for all employees

RESPONSIBLE OPERATIONS

Energy Management

Performance indicators	Targets
• 08 Nos of units have access to renewable energy sources (solar, wind)	• All plants to have access to renewable energy by 2025

Water & Effluent

Performance indicators	Targets
• Number of units where Rainwater Water Harvesting facility has to be installed • Number of sites where Zero Liquid Discharge (ZLD) facilities have been installed	• Rainwater harvesting is to be installed at all units by 2025 (already achieved in FY22) • All units to be ZLD facilities by 2025

Emissions

Performance indicators	Targets
• GHG Emissions (Scope 3) • Air Emissions	• Start monitoring Scope 3 emissions by 2022 • Maintain SOx, NOx and PM within permissible limits

Environmental Compliance Management

Performance indicators	Targets
Number of cases in violation of environmental regulations	Zero incidents of non-compliance

RESPONSIBLE EMPLOYMENT

Health & Safety

Performance indicators	Targets
• Lost time Injuries • Average training hours per employee to site employees on health and safety • Average training hours per employee to corporate employees on health and safety	• Achieving Zero Incident and Zero Harm • Provide 4 hours of safety training (per site employee) to site employees • Provide 2 hours of safety training (per employee) to corporate employees

Labour relations & Human rights

Performance indicators	Targets
• Regulatory compliance with labour laws • Average training hours per employee on human rights • Employee attrition	• Provide 1 hour of training per employee on human rights • Maintain attrition rate below 5%

Training & Education

Performance indicators	Targets
Average training hours per employee on behavioral and technical aspects	Provide 4 hours of training to permanent employees

Diversity & Equality

Performance indicators	Targets
Female to Male Ratio in permanent employee	The ratio of female workforce to be at 5% in the permanent employee category by 2025

RESPONSIBLE TOWARDS COMMUNITIES

Local communities

Performance indicators	Targets
• CSR strategy	• Formalise CSR strategy by 2025 1. To undertake CSR activities in a more focused manner through a separate Foundation 2. To carry out large scale CSR projects creating wider impact 3. To ensure that the communities in the vicinity of Company's operations get maximum benefit of CSR acivities

STAKEHOLDER **ENGAGEMENT**

RELATIONSHIPS that are nurtured over a period of time, through ups and downs, form the bedrock of a sustainable enterprise. One that stands up against every challenge. One that challenges the status quo. One that creates and innovates new market spaces. One that grows along with its stakeholders.

This belief has allowed us to foster deep bonds with all our stakeholders. We have invested considerable time in understanding their needs, interests and expectations. We have aligned our systems to match global best practices to deliver steady returns to our stakeholders.

STAKEHOLDER GROUP	WHY ARE THEY IMPORTANT	MATERIAL MATTERS	ENGAGEMENT FORUMS	HOW WE CREATE VALUE
Shareholders & Investors	As providers of financial capital, they are key stakeholders in our growth and expansion plans	• Good Corporate Governance • Sustainability of the business • Strategy implementation • Inclusivity and transformation	Investor calls, analyst meets and general meetings	• Sound and transparent Corporate Governance policies • Timely engagement with shareholders • Regularly monitor the implementation of the strategic plan

STAKEHOLDER GROUP	WHY ARE THEY IMPORTANT	MATERIAL MATTERS	ENGAGEMENT FORUMS	HOW WE CREATE VALUE	DELIVERING VALUE
Employees	Our people are at the center of all our operations. Their collective experience, skill and knowledge are essential for our growth	• Skill development • Well-being • Retention • Employee satisfaction • Performance management	Employee engagement initiatives, continuous interaction with management, appraisals, grievance redressal mechanism	• Understand employee needs and create a conducive work environment • Manage talent effective and create a leadership pipeline • Institutionalise L&D as a business imperative • Encourage diversity and inclusivity in the workplace • Focus on health and safety management	**617** Training & Development (man-days) for 3 years (FY20-FY22)
Suppliers / Partners	Our operations are closely linked with the timely availability of supplies, quality of raw materials and services that we source. These, in turn, have a material impact on the efficiency of the production process	• Product awareness • Visibility and relationship management • Service satisfaction • Timely payments	Regular meetings with key suppliers by senior management, supplier visits, suppliers' meet, supplier tour of manufacturing facilities	• Strategic brand and product awareness approach • Timely payment to all vendors • Grow their business • Improve their value-creation model	**57%** Growth in purchases from key vendors over the previous year (FY21 vs FY22)
Customers/Dealers	Customer feedback is key to process improvements, quality enhancement, service performance and cost optimisation	• Product satisfaction and awareness • Brand awareness • Sustainability and viability of the organisation • Information sharing • Market dynamics • Consumer complaints & grievances	Regional meets, visits to dealers, need-based visits, Customer meets, Customer visits by the marketing team and senior management	• Develop products based on consumer needs • Institutionalise a culture of quality perfection • Establish an effective claim and complaint management system • Entrench a culture of fair treatment of consumers	**98%** Customer complaints resolved (FY20-FY22)
Community	A harmonious relationship with the communities where we are located is key to our social license to operate. They are partners in our progress and are crucial to our operations	• Investment in CSR programmes • Focus on sustainability	Need-based assessment surveys, community visits by company management, periodic cultural meets	• Empowering communities by creating employment and self-employment opportunities • Upliftment of underprivileged sections of the society • Reducing the environmental impact of our operations	**126** CSR investment (₹mn) for 3 years (FY20-FY22)

OUR OPERATING ENVIRONMENT AND **HOW WE PERFORMED**

FY22 can be summed in a single word - 'Volatility'.

The year started with the increasingly aggressive second wave of the pandemic. As India recovered from this health scare with speed, the economic environment picked pace only to be briefly interrupted by the third wave of the pandemic whose impact was mild. The year ended with a Russia-Ukraine crisis which suddenly and significantly spiked the prices of food, fuel and commodities. The see-saw impacted business enterprises across India. Some rode the wave well; some needed to face the swirling waters.

APL Apollo had a very exciting ride. All its performance parameters moved a few points higher.

Q1/FY22

An eventful quarter as the pandemic had hit again in the country after six months of normalcy. The impact on lives and livelihood was significant, but the duration of the pandemic was relatively lesser than the first wave.

APL Apollo's response

It was a very good quarter for the Company. The team that managed the initial wave of the pandemic did a splendid job in minimising the impact of the health hazard on the Company and its employees. Despite a decline in volumes by about 14% owing to lockdowns instituted in various states, the Company reported the highest ever quarterly EBITDA/ ton. While raw material cost increased by ₹5,149 per tonne for the Company, its net selling realisation went up by ₹8,498 per tonne owing to a higher proportion of value-added products in the sales mix.

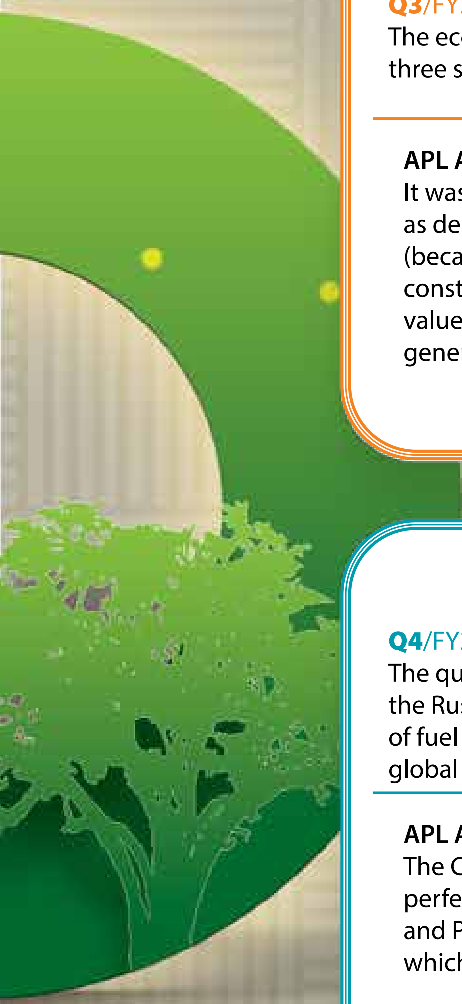
Q2/FY22

The economic recovery started after the second wave and things started to return to normalcy.

APL Apollo's response

APL Apollo registered a healthy performance. Sales volume was down 11% Y-o-Y, mainly because of delayed recovery after the lockdown was lifted and some unseasonal rains. The Company reported an EBITDA per ton of ₹5,199 which was the best after Q1's ₹6,825 per tonne.

The working capital cycle remained within 11 days of the limit; it helped generate strong operating cash flows. Net debt was further down to ₹1.3 billion from ₹1.6 billion in March '21.



Q3/FY22

The economic resurgence continued unabated as economic activity in all three segments of the economy picked up smartly.

APL Apollo's response

It was a mixed quarter with the volume falling a bit short of expectations as demand was impacted due to de-stocking from channel partners (because globally the steel prices had started sliding) and a slowdown in construction activity post-Diwali. However, the performance in terms of value-added product mix, EBITDA spreads, working capital and cash flow generation were in line with expectations.

Q4/FY22

The quarter was impacted by the Omicron variant scare initially followed by the Russia-Ukraine crisis which resulted in an unprecedented spike in prices of fuel and commodities. It also resulted in considerable disruption in the global supply chain.

APL Apollo's response

The Company ended FY22 on a very high note and was able to make a perfect pyramid with sales volume growth of 7%, EBITDA rising by 39% and PAT rising by 55%. The net working capital days remained at 7 days which is the best in the industry.

OUR **QUARTERLY PERFORMANCE**

STEPPING **UP**

AT APL Apollo Tubes, our patience and perseverance drives us to take small steps each day to become better with every passing month. Our success in this endeavour allows us to step our performance higher each quarter.

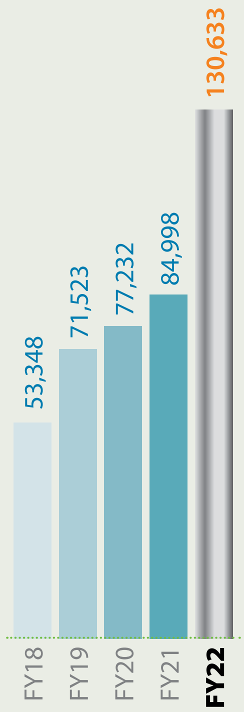
	Q1
Sales volume (tonnes)	373 k
Change over corresponding quarter of FY21	**57%**
Revenue (₹ million)	25,343
Change over corresponding quarter of FY21	**128%**
EBITDA (₹ million)	2,547
Change over corresponding quarter of FY21	**258%**
EBITDA/tonnes (₹)	6,825
Change over corresponding quarter of FY21	**129%**
Net Profit (₹ million)	1,473
Change over corresponding quarter of FY21	**778%**

Q2	Q3	Q4
427 k	403 k	552 k
-11%	-17%	27%
30,839	32,304	42,147
40%	24%	63%
2,222	2,023	2,661
31%	-13%	29%
5,199	5,023	4,823
48%	5%	2%
1,313	1,156	1,630
43%	-12%	37%

KEY **PERFORMANCE INDICATORS**

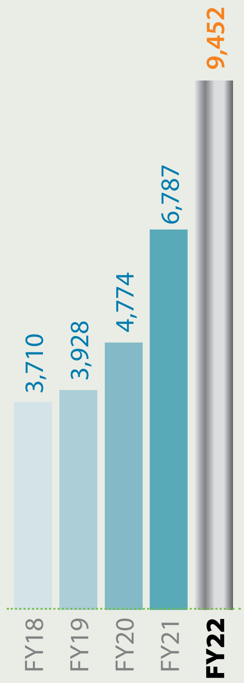
OUR ability to challenge boundaries of the mind, envision beyond the horizon, and revolutionise our business space over the years with our novel products has helped in sustaining business growth over the years, despite strong headwinds that dented India's economic progress.

Net sales
(₹mn)



Growth (YoY%)
54

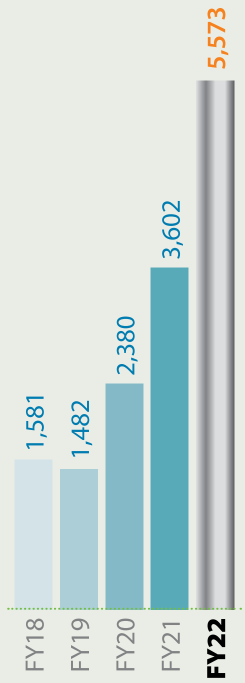
EBITDA*
(₹mn)



Growth (YoY%)
39

**EBITDA is excluding Other Income*

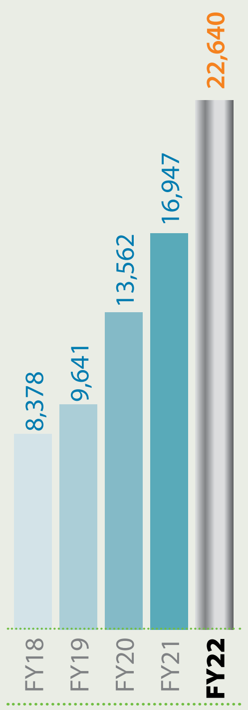
Net Profit**
(₹mn)



Growth (YoY%)
55

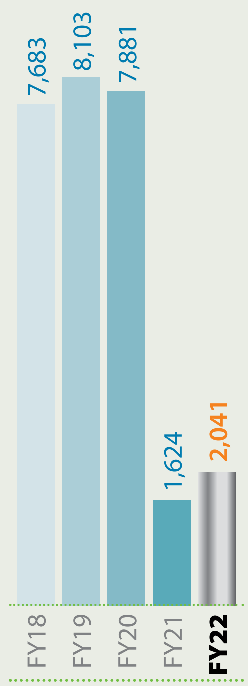
***Net Profit is after non controling interest*

Shareholders' Fund
(₹mn)



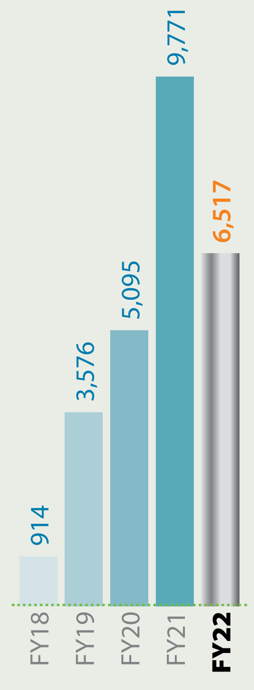
Growth (YoY%)
34

Net Debt
(₹mn)



Growth (YoY%)
26

Net cash flow from operations
(₹mn)



Growth (YoY%)
(33)

INFRASTRUCTURE. THE FLAVOUR OF THE SEASON

IN presenting an infrastructure-friendly Union Budget for FY23 with a proposed infrastructure spend of ₹10 trillion (about 35% higher than the previous year), the Government, like other developing nations, has leveraged infrastructure spending as a key tool to spur economic growth.

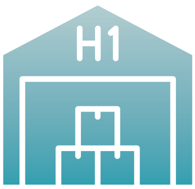
The infrastructure spend includes a 50% hike in the budgetary allocation on roads and rail networks and the development of 100 PM Gati Shakti Cargo terminals over a three-year timeframe. Moreover, the proposed allotment on urban infrastructure, housing and ports has been maintained at the previous year's level.

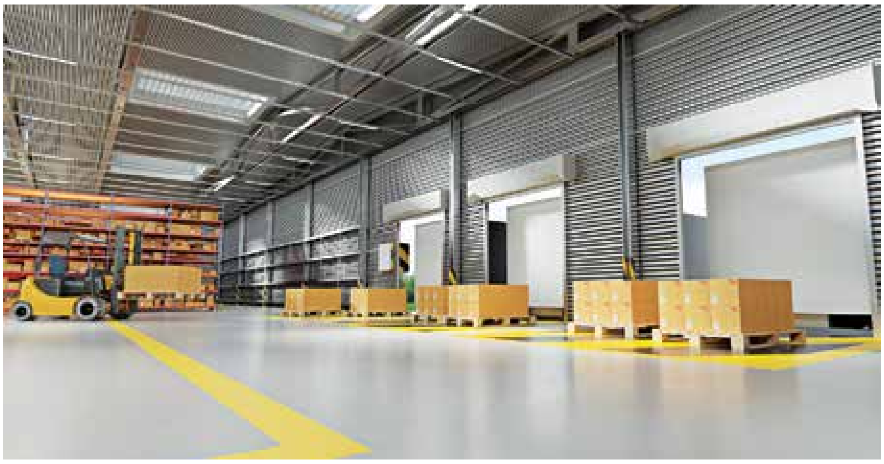
The National Infrastructure Pipeline (2020-25) has envisaged a target investment of ₹111 trillion between 2020-2025. The Government will invest ₹20-22 trillion annually of which about 45%will come from budgetary allocations.

State governments are expected to play an important role in the development of urban infrastructure, irrigation, health and education. To encourage infrastructure development in these sectors, under an outlay titled 'State Government Support for Capital Expenditure' state governments will be given a 50-year interest-free loan of around ₹150-200 billion in FY21-22 to ₹1 trillion in FY22-23.

As far as private financing is concerned, things like asset monetisation, a National Bank of Infrastructure & Development (NBFID) was set up as the principal development financial institution to facilitate infrastructure financing.

ORGANISED WAREHOUSING: GAINING ROOTS





The warehousing sector has established itself as one of the most resilient asset classes that continues to bring significant capital. A recent report by Savills India elucidates this reality. It reveals that the leasing of industrial and warehousing spaces across 8 major cities increased by 35% during 2021, wherein the fresh supply rose by 64%.

The pandemic catalysed the demand for organised warehousing - it led to a drastic shift towards digitisation and contactless operations. Customers accustomed to the legacy ways of purchasing were forced to move to online platforms. This transformation in consumer patterns has led to D2C brands working untiringly to bring a majority of their brands directly to the customer's home.

As e-commerce gains a strong foothold across the Indian landmass, there is a surge in upgrading warehousing space from Grade-B and C to Grade-A facilities - as such the sector has been rapidly expanding its roots in tier-I and tier-II cities.

According to Knight Frank Research, Indian e-commerce is to occupy most warehousing spaces in the next 5 years from FY 2022 - 2026 at 9.1 mn sq.m. (98 mn sq.ft.), 165% more than the preceding period of FY 2017 - 2021 while annual warehousing transactions will grow at a CAGR of 19% to 7.08 mn sq m (76.2 mn sq ft) in FY 2026 from 2.95 mn sq m (31.7 mn sq ft) in FY 2021.

AIRPORT INFRASTRUCTURE: **AIMING FOR THE SKIES**

The aviation sector has set its sights high! The Aviation Ministry is drawing the contours of investing in 21 new airports in India. The Airports Authority of India (AAI) has estimated a cost of ₹250 billion for developing new airports and expanding/ upgrading existing airports over the next 4-5 years.

Additionally, three PPP (Public-Private Partnership) airports in Delhi, Bengaluru, and Hyderabad have undertaken expansion plans to the tune of ₹300 billion by the year 2025.

In February 2022, the Union Civil Aviation Minister, at the PM-Gati Shakti Conference, mentioned that 16 new airports will be built in central India alone.

HIGH-RISE BUILDINGS: **MOVING UP SKY HIGH**

India's metropolitan regions and urban cities, characterised by growing population density and explosive trade operations and commercial activities, are facing a surge in the cost of rapidly diminishing land.

Property and land have become scarce and hence expensive. Tall buildings appear to be the best results for resolving this problem, as opposed to developing horizontally.

Factors such as continuous migration to metropolitans, decreasing space and the high density of population in cities like metros and other urban cities have resulted in a congestion influx positioning high-rise buildings as a critical requisite today.

India, to satiate the burgeoning demand for residential and commercial space will need to build between 700-900 mn sq mtrs annually. (A Mckinsey Global Institute report). The majority of this new development will comprise high-rise buildings.

VERTICAL AGRICULTURE: GREEN GROWTH

In an evolving India, every day there is something new. Currently, the sharpened focus on industrialisation has positioned arable lands at greater risk - of being compromised and converted for industrial use. As such, vertical farming in India is the answer to these problems.

In India, this kind of farming is primarily polyhouse-based farming, a protected agricultural practice that facilitates higher productivity and yield of vegetables and fruits across India.

Additionally, Smart Hydroponic farms (usually practiced in urban India) use vertically stacked growing beds which occupy less than 1% of the space otherwise needed for similar output, which is a precious commodity in densely populated urban areas.

These farms use about 90% less water than conventional farming methods.

Since most farms are located within city limits, the average distribution time from harvest to table averages 60 minutes, cutting down greenhouse gas-emitting travel time.

Smart farms promise reliable pricing, predictable returns and significantly higher returns since the produce can be grown indoors, all year long. While traditional farming takes 45-60 days - from growing seeds to harvesting - smart farming does that in only 25 days.

The government is promoting smart farming by providing a healthy subsidy to the project cost; the subsidy rate varies from state to state.

According to the experts, controlled conditions like that can give yields 7 to 12 times higher than the crops grown in normal outside conditions. Additionally, it facilitates all year-round production.

INDEPENDENT HOMES: **PANDEMIC-INDUCED PREFERENCE**

The pandemic and the subsequent lockdown have considerably altered lifestyles across the world and India - forcing the world to adapt to a New Normal. This paradigm shift has also altered the preferences of the present-day home seekers - it has significantly affected their purchase and investment decisions. The more recent trend that is visible among recent home buyers is that of independent homes or villas provide they are accompanied with two requirements **1)** the discretion to customise homes as per one's preferences and **2)** they are accompanied by larger multi-purpose usable spaces.

STRATEGIC **DIRECTION**

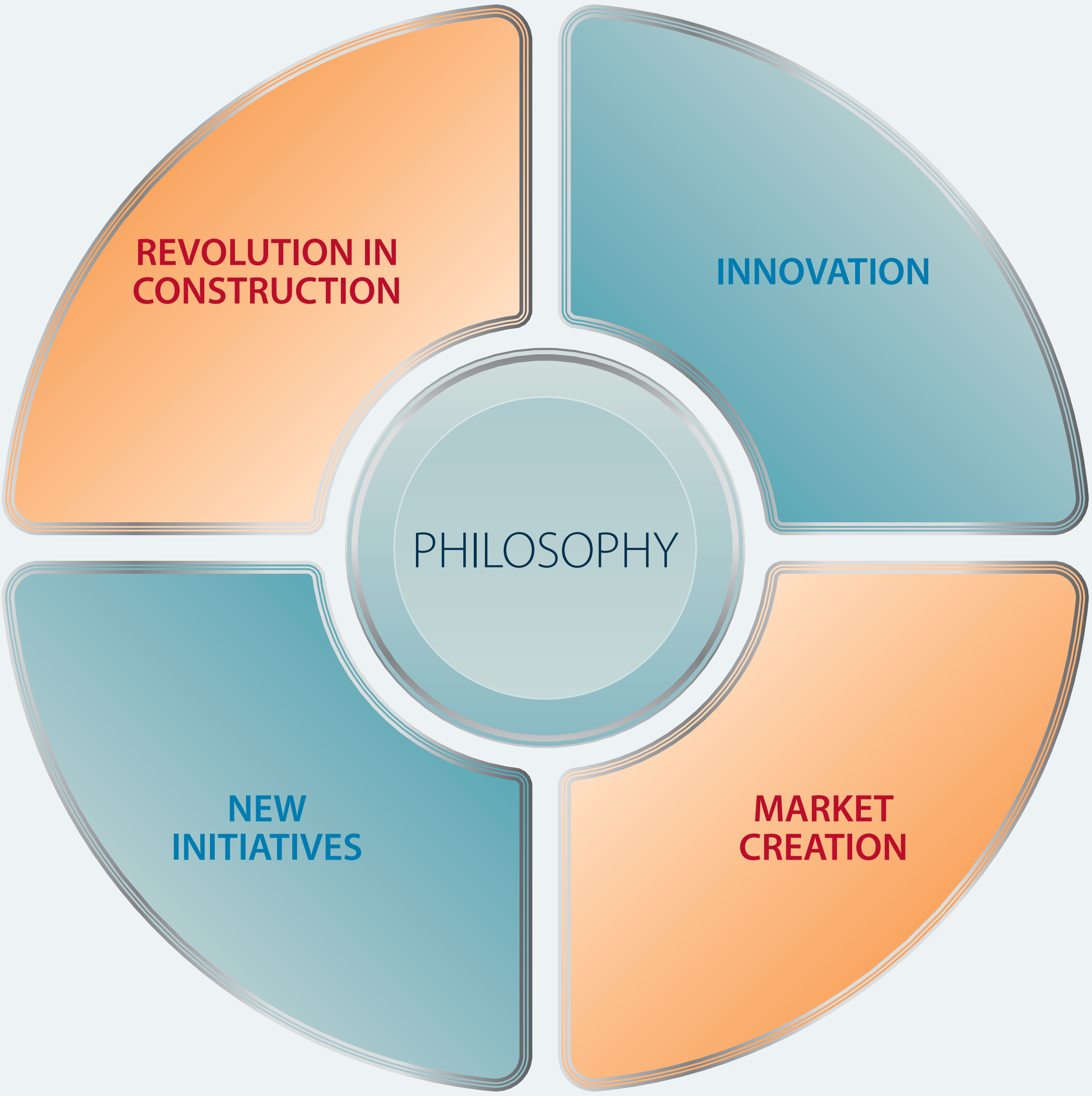
INDIA is positioning itself as the sourcing hub for the world at various global forums - a stance which is relevant considering the supply chain disruptions panning out across the globe for over a year now. Moreover, the world is also looking up to India to shoulder this mantle.

In keeping with this ambition, the Government is keen to significantly shore up industrial activity in India which will help it achieve multiple goals namely: 1) creating job opportunities 2) capitalising on global opportunities, and 3) shoring Government coffers.

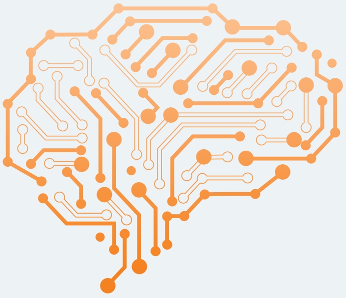
Aligned to this, the Government has applied a massive thrust on infrastructure development - which is evident in the recently announced Union Budget. These trends point to important factors: 1) increasing capacities and 2) expanding presence and 3) creating awareness.

Drawing inspiration from these trends and aspirations, APL Apollo has drawn up a strategic roadmap that will allow it to support India's efforts and ambition.

APL APOLLO STRATEGIC **PHILOSOPHY**



01 STRATEGIC PHILOSOPHY
INNOVATION



APL Apollo is credited for bringing new-age technology to the Indian shores which has helped grow the market as opposed to simply growing its market share. In doing so, APL Apollo has emerged as the most innovative building material company in India. It's innovation list includes the following:

- 1st to introduce structural steel square and rectangular hollow sections
- 1st to introduce pre-galvanized structural steel tubes (GP)
- 1st to introduce DFT (Direct Forming Technology) - Customized sizes 6+ with superior finish and material saving of 2-10%
- 1st to innovate readymade Chaukhat, Fence, Plank and Hand rails as Steel for Green Concept which replaced conventional wood application in building construction
- 1st to introduce 300x300mm square and rectangular structural steel tubes
- 1st to introduce 500x500mm square and rectangular structural steel tubes

Going forward, we have a slew of interesting innovative products to be launched over the coming years. They include:

- 1st to introduce 1,000x1,000mm square and rectangular structural steel tubes
- 1st to innovate narrow and thicker colour coated galvanized sheets which will save more trees

APL Apollo has developed the world's first color coated thicker (>3mm) and narrow sections to bear more load, rust proof and more durable in infrastructural application vs conventional galvanized steel tubes

Narrow and thick sheets would be suitable for shutter profiles, solar panels, auto bodies, home appliances and PEB solutions like purlins, roofing sheets etc. Thicker color coated sheets are premium over GP sheets, have economic benefits, customized sizes in narrow width, easy to fabricate and no paint job required.

02 STRATEGIC PHILOSOPHY **MARKET CREATION**

HOW WE **CREATED THE MARKET**

Conventional Construction Products	Applications	Why Structural Steel Tube replaces these products?
Steel angle/Channels	Structural support, Towers infrastructure	Uniform strength, Lower steel consumption
Wood	Furniture, Door frames, planks	Cost effective, Termite proof, Environmental friendly
Aluminium Profiles	Facades & Glazing	Cost effective, Higher strength
Reinforced cement concrete	Construction of buildings	Faster construction, Environmental friendly
Fabricated metal sheet	Pre-engineered steel buildings	Lower steel consumption Reduces overall project cost

Low diameter steel tubes/Low load bearing

High diameter steel tubes/High load bearing

03 STRATEGIC PHILOSOPHY
NEW INITIATIVES

INVESTMENT IN **VALUE-ADDED CAPACITY**

03A

The Company has planned to increase its manufacturing capacity at multiple locations. But with a difference. It is augmenting the capacities of value-added products which will uplift India's structural tubes market and the Company's position in it. This is the capex plan.

Residual capex in Apollo Raipur - ₹3 billion.

Value addition/ backward integration in Hyderabad/Hosur plants - ₹500 million.

Investment into value addition lines at other plants - ₹500 million.

Innovative galvanized lines to improve efficiency - ₹1 billion.

Two small greenfield plants ₹1.5 billion.

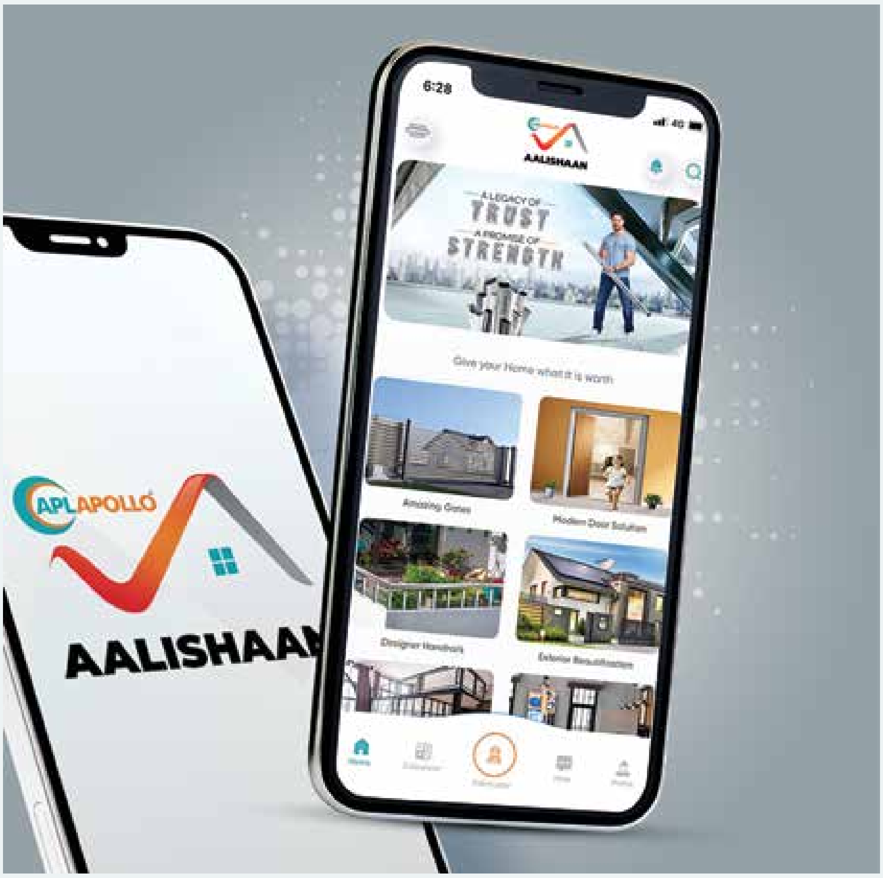
- Only investments into land/ building/infrastructure
- Plant & machines to be shifted from existing facilities

TOTAL CAPEX OF ₹6.5BN TO BE FUNDED FROM INTERNAL CASH FLOWS IN FY23-24

03 STRATEGIC PHILOSOPHY
NEW INITIATIVES

03B

B2C TECH APP



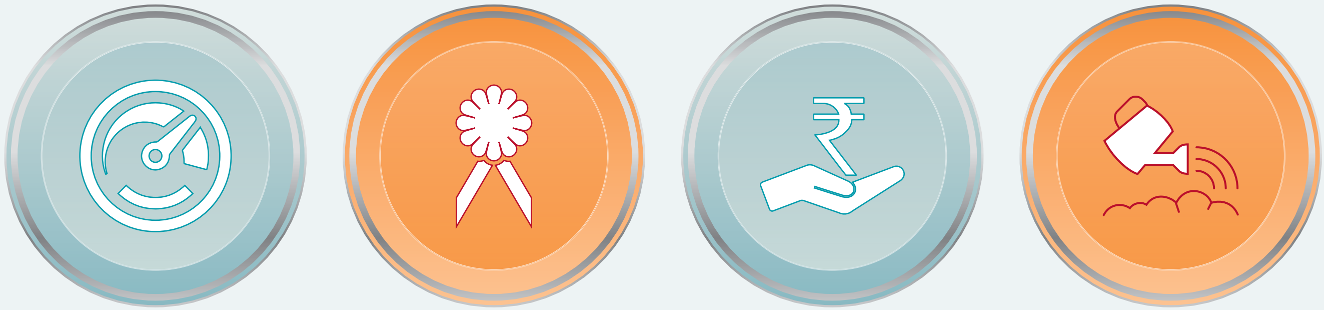
The Company launched its Aalishaan app. In today's age, when almost everyone is fighting for time, this first-time app in India provides the convenience of seamlessly providing the user access to an exclusive steel home décor library and at the same time, connecting him with their nearest fabricators to submit steel furniture service requests, and get them made at their respective doorsteps. This application is creating waves in the building product space.

25,000+
Fabricators enrolled

60,000+
Total Downloads

300+
Designs

WHAT MATTERS TODAY IN CONSTRUCTION INDUSTRY



SPEED | QUALITY | COST | ENVIRONMENT

TUBULAR CONSTRUCTION ▶ ONE WAY TO GET ALL FOUR

BUILD **BETTER,** BUILD **FASTER**

STEEL TUBES vs CONVENTIONAL RCC

STEEL TUBE STRUCTURE	RCC STRUCTURE
8 days/slab	24 days/slab*

16 days saving for each slab

Revenue Economics

- 2% Additional Carpet Area
- Advanced Revenue/Cash flows
- Reduced Construction Time
  - Super structure ready 65% faster
- Financial cost savings
- Early commencement of project

Cost Economics

Project Cost higher by 5%/₹250-300sq ft

Net Impact

Project IRR +1.5% + 2% Additional Area

*Not factoring in any adverse action by NGT leads to project delay

RING-FENCING BUSINESS PROSPECTS FROM **VISIBLE & POTENTIAL UNCERTAINTIES**


TIONISE

GROWTH RISK

Business growth is essential for sustaining our ambition of delivering value to stakeholders.

Mitigation measure: APL Apollo has registered healthy business in each of the previous five years despite significant headwinds in India and across the globe. Further, the Company continues to launch new products which have the potential to spur business growth over the coming years.

CAPACITY RISK

Lack of capacity to manufacture existing and new products could hamper value-addition and business growth.

Mitigation measure: Mindful of this possibility, APL Apollo has continued to invest in capacity addition through the brownfield and Greenfield initiatives. Its Raipur plant, the single largest such facility in India, will only manufacture value-added products - significantly strengthening the Company's aspiration for value-drive growth.

DEBT RISK

A high debt burden would impede the Company's ability to undertake growth initiatives.

Mitigation measure: APL Apollo enjoys a Net Zero-Debt position. Further, the growing cash flow from operations owing to its healthy y-o-y growth makes the Company increasingly liquid. The Company has financed its new Greenfield facility at Raipur through internal accruals. This reality bears testimony to the Company's liquidity.

PORTFOLIO RISK

Competition will degrade premium products to standard products over a period of time.

Mitigation measure: APL Apollo's passion for innovation is showcased in its ability to absorb new technology that allows it to introduce novel products which open new opportunities. This strength allows the Company to stay ahead of the competition. It also ensures that the revenue contribution from value-added products continues to increase.

IDEATION RISK

There is a need to develop novel products and solutions that provide a long-term edge.

Mitigation measure: In keeping with this reality, APL Apollo has successfully developed a new concept - developing pre-fabricated structures using its tubes. This new concept is expected to revolutionise the construction sector. With APL Apollo being the only player in this space, it should enjoy a good head-start.

DEALER & CUSTOMER CONNECT RISK

Strengthening relations with dealers and the end consumer is essential for growth.

Mitigation measure: APL Apollo has initiated measures that promise to build better relations with its dealers and end customers.

1) Invested in the largest retail store for steel tubes to initiate customer connections.
2) Launched a customer-facing app that will allow us to get close to the end consumer of our products.
3) Launched a dealer app and portal for providing a multi-platform, 24x7 connect with dealers.
4) Continued to engage with dealers through multiple forums.
5) Piloted the concept of focusing on secondary sales (engaging with the retailers) on a pilot basis in eight states to penetrate deeper into the market.

DEALER ATTRITION RISK

The loss of dealers could hamper the sales of the product and provide an opportunity for competition to enter.

Mitigation measure: APL Apollo understands the importance of dealers and hence has taken important steps which increase their footfall and strengthen their business returns. Some of them include:

1) Continued effort to widen the product basket to transform dealers into one-stop solutions.
2) Institutionalised terms of trade will make their business sharper and more efficient.
3) Invested large sums in strengthening brand recall which increased footfall for dealers.

WORKING CAPITAL RISK

The Company funds could get locked into its long working capital cycle.

Mitigation measure: APL Apollo, in one of the toughest times, implemented a bold decision - of converting the majority (90 %+) of sales from credit sales to cash sales. This shift has collapsed the working capital cycle to only a few days as opposed to weeks earlier.

ENVIRONMENT & GOVERNANCE RISK

Managing these aspects is critical for business sustainability.

Mitigation measure: APL Apollo understands the criticality of keeping its operations environment-friendly. Over the years, it has taken multiple issues to optimise the use of resources and recycle waste generated.

From a Governance standpoint, the Company stringently ensures complete transparency in its processes. The governance ethic is driven from the top - its eminent Board.

The Company, in its first ESG document, received the 56th percentile in the DJSI 2021 Score. And aspires to move up the pecking order going forward. This showcases the Company's commitment to more sustainable business operations.

COMMUNITY RISK

Investing in community development is essential for sustained success.

Mitigation measure: APL Apollo, since its inception has continued to work for communities proximate to its manufacturing locations with the objective of holistic development of the pin code. The Company has funded and invested considerable manhours in key areas such as education, health & sanitation and rural development of nearby villages.

OUR VALUE-CREATION ENGINE

APL Apollo's business model is the foundation upon which it seeks to effectively implement and drive a sustainable business strategy. The business model is built on the foundation of patience and perseverance of the team to create growth levers for the future. It encourages and inspires employees and partners to strive for excellence in what they do, keeping ethics, transparency and good governance practices in mind.

INPUTS

Manufactured Capital
Infrastructure created and equipment used for manufacturing products. Our state-of-the-art pan-India infrastructure provides a superior mind-to-market cycle

Manufacturing units: 11
Capex: ₹5,869 million

Financial Capital
Funds available to create value through production processes, or funds generated by operations. We have a strong, net debt-free balance sheet and focus on efficient capital allocation

Shareholder's fund: ₹22,640 million
Net Debt: ₹2,041 million
Capital Employed* : ₹28,801 million

* Capital Employed is computed as (total Assets- Current Liabilities-Cash)

Intellectual Capital
Knowledge and experience that helps graduate our business model to stand out of the clutter. Our thirst for knowledge and our confidence to walk the road less travelled helps in developing innovative products and processes developed

R&D investment: ₹50 million
Collaborations with institutes/organisations: IIT ROORKEE

Human Capital
The skills, knowhow, capabilities, experience, diversity and level of motivation of direct and contractual employees. We promote innovative thinking and equip them with the right development tools and trainings

Employees on roll: 2,137
Training & Development expense: ₹50 million
People benefits: ₹1,530 million

Social & Relationship Capital
Trust-based, mutually beneficial relationships with key stakeholders such as investors, customers, vendors, society and government, among others, which play a vital role in our success

Vendors: 12
CSR spend: ₹72.4 million
Shareholders: 1,56,055

Natural capital
Natural resources such as air, water, energy, land and biodiversity, which are either utilised by us or impacted by our operations. We continuously endeavour to reduce the load of our operations on the Earth

Raw material used: 18,42,711 tonne
Energy consumption: 121 million units

OUTPUT

1.75 mn tonne
Total production

1.75 mn tonne
Total sales

0.32 mn tonne
Apollo Structural (Hollow sections)

0.47 mn tonne
Apollo Z (Pregalvanised [GP])

0.08 mn tonne
Apollo Build (Galvanised [GI])

0.65 mn tonne
Apollo Standard (Black pipes)

0.24 mn tonne
Apollo Tricoat (Consumer centric products)

OUTCOME

Financial Capital	Revenue	₹**130,633** million
	EBITDA*	₹**9,452** million
	EBITDA margin	**7.2%**
	Net Profit**	₹**5,573** million
	Capital Employed	₹**28,801** million

*EBITDA is excluding Other Income
** Net Profit is after non controling interest

Manufactured Capital	Capacity Utilisation	**67.5%**

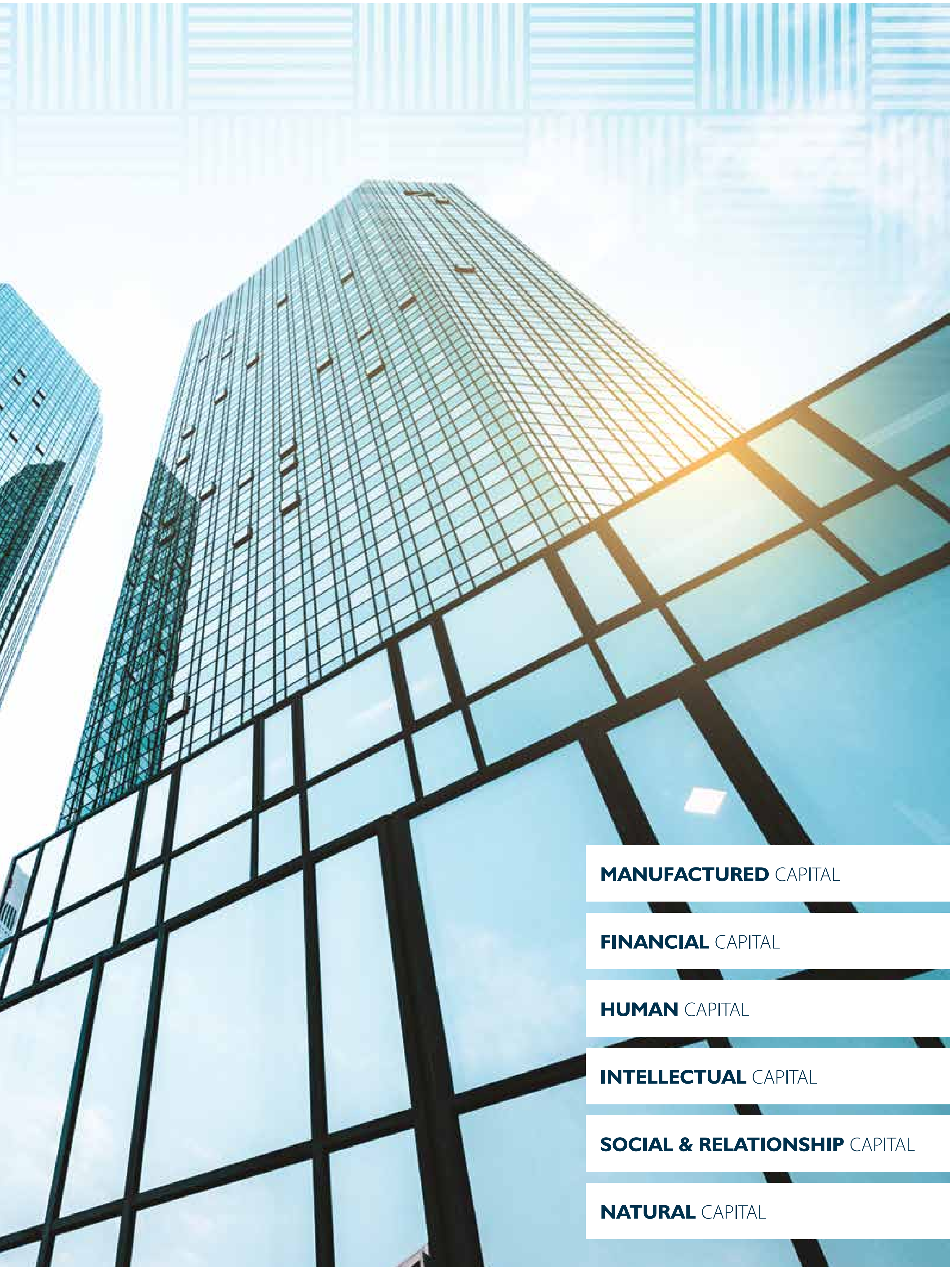
Intellectual Capital	New products developed	**4**

Human Capital	Employee productivity	**101** tonnes/month
	Revenue per employee	₹**5.1** mn / month
	Fatalities	Nil
	LTIFR	**78** hours

Social & Relationship Capital	New dealers & distributors added	**20**
	Customer complaints resolved	**98%**
	Dividend declared	₹**876** million
	CSR beneficiaries	₹**72.3** million

Natural capital	Rain water harvesting	**1,517,052** litre
	Solid waste recycled	**53,038** tonne

THE **CAPITALS**



MANUFACTURED CAPITAL

FINANCIAL CAPITAL

HUMAN CAPITAL

INTELLECTUAL CAPITAL

SOCIAL & RELATIONSHIP CAPITAL

NATURAL CAPITAL

MANUFACTURED CAPITAL

COMPETITIVE manufacturing is core to APL Apollo. The Company has built its manufacturing proficiency by investing in the right capacities and capabilities through a combination of organic and inorganic initiatives. Its unwavering focus on technology and people development has helped in improving processes, shoring efficiencies and enhancing its competitiveness.

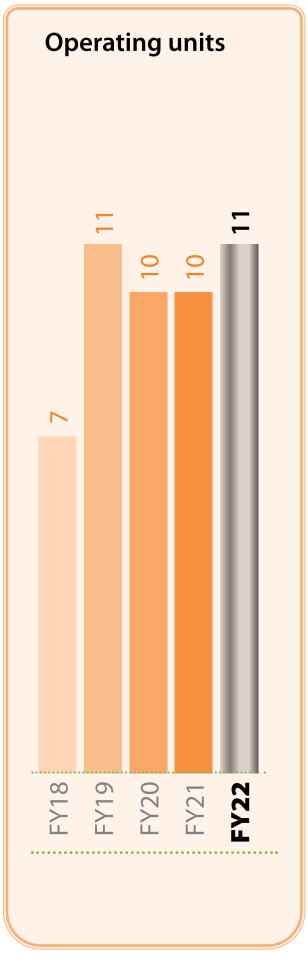
11	2.6	1.75	5,869
Operating facilities	Label capacity (Mn TPA)	Sales volume in FY22 (Mn tonnes)	Capex in FY22 (₹million)

Operational infrastructure

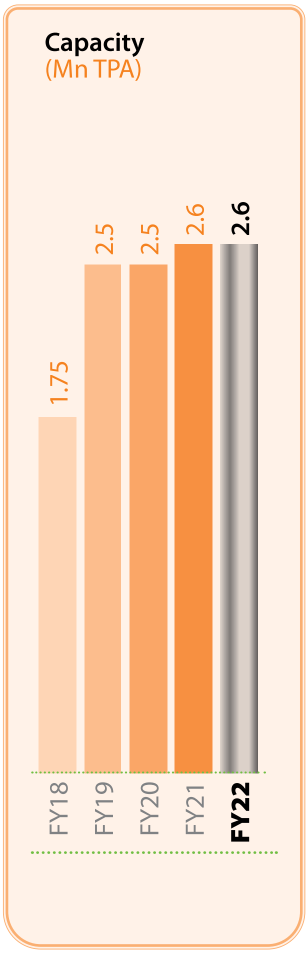
APL Apollo has 11 manufacturing facilities across India with a total manufacturing capacity of 2.6 mn TPA of structural steel products. The facilities house cutting-edge technology and sophisticated equipment allowing it to deliver niche, value-added products to the Indian markets. This pan-India manufacturing presence allows it to reach markets with speed and cost-effectively.

Manufacturing facilities

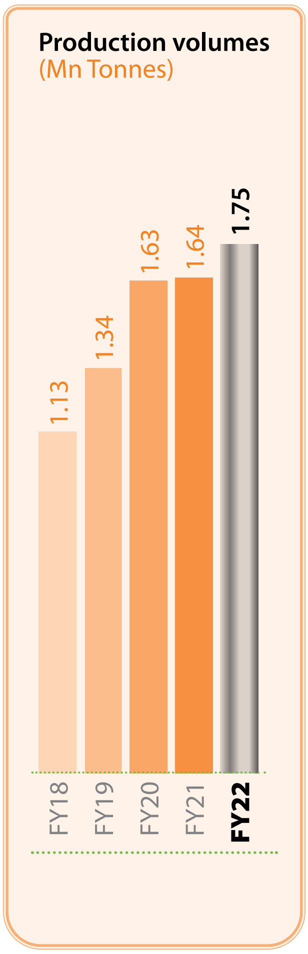
11 Manufacturing Facilities



Operating units
7
11
10
10
11
FY18
FY19
FY20
FY21
FY22



Capacity
(Mn TPA)
1.75
2.5
2.5
2.6
2.6
FY18
FY19
FY20
FY21
FY22



Production volumes
(Mn Tonnes)
1.13
1.34
1.63
1.64
1.75
FY18
FY19
FY20
FY21
FY22

The list of firsts

APL's investments are not simply on enhancing capacity; it is more towards enhancing capabilities which have helped the Company to widen the market depth and its market share:

- Brought high-speed mills to India from Europe
- Introduced the Strip galvanizing lines and the unique Rotary Sizing Mills
- Launched pre-galvanized tubes (GP) for the first time in India
- Pioneered the cutting-edge DFT technology in India which facilitates cost-effective product customisation
- Created Apollo TriCoat which has a slew of first-time products for the Indian markets
- Developed and successfully deployed the tubular technology for pre-engineered buildings, revolutionising construction

Alignment & improvement

Over the years, the Company has continued to tweak its operations to align with market dynamism. It continues to shuffle and reshuffle products and production lines between its manufacturing facilities. For example, the demand for its coated tubes, manufactured in North India, was mushrooming from the Western parts of India. APL Apollo prudently shifted its line from its existing facility to its facility in the West.

The Company continues to work towards improving man-machine productivity. For this, the operations team is focused on reducing things like the cutting cost of tubes, rejection rate, logistics coat, steel consumption and energy consumption. It has made considerable headway in each of these areas.

It has taken up a capital investment project for introducing a new technology that will significantly reduce the consumption of zinc - leading to considerable cost savings.

Capacity building

Team APL Apollo worked tirelessly on setting up and commissioning its Raipur facility, its 11th manufacturing unit. This unit will focus on manufacturing value-added products, most of which are first-time products for the Indian markets. This 1.5 mn TPA mega project is expected to commence in a phased manner between FY23 and FY24 - the team has commenced trial production at some stations in this facility to ensure a seamless start-up as planned.

In addition, the Company has budgeted ₹1,500 million for value-addition at its operating units at Hosur and Secundrabad.

Post commissioning of these projects, APL Apollo will have only widened its competitive moat in the structural steel tube market.

FINANCIAL CAPITAL

FINANCIAL capital underpins an enterprise for it is the lifeblood of business operations. It is transformed into other forms of capital to conductor operations. For APL Apollo, financial capital has enabled it to enhance its capabilities to deliver world-class products to consumer's and sustain its market leadership. The Company has prudently deployed its financial resource not only to deliver business results but also to generate economic value for all stakeholders on a sustained basis.

6,506	0.1	7	35
Operating cash flow (₹million)	Debt-equity ratio (x)	Working capital cycle (days)	Return on Capital Employed (%)

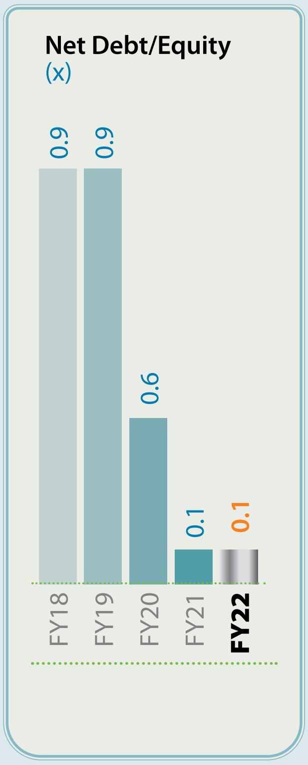
The financial liquidity journey

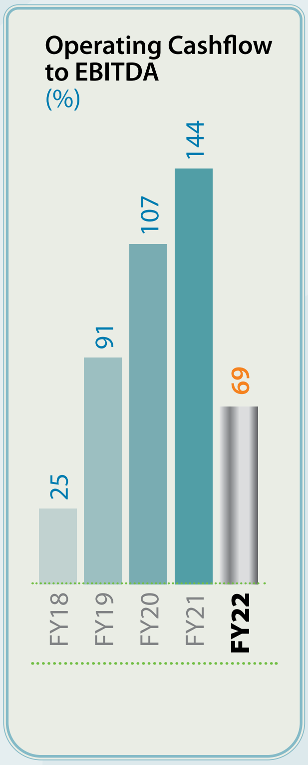
The Company has over the last 5-7 years completely turned around its liquidity position - from a debt-burdened enterprise into a cash-rich organisation. This transformation happened owing to some tough decisions taken by the Management.

Step 1: The Company continued to augment capacity, but with a difference. The difference being every investment introduced cutting-edge technology which delivered path-breaking products - which was the first time for the Indian market. This value-maximisation strategy has worked well for the Company assisting it in increasing the share of value-added products in its sales mix; the EBITDA per tonne of sales catapulted into a new zone.

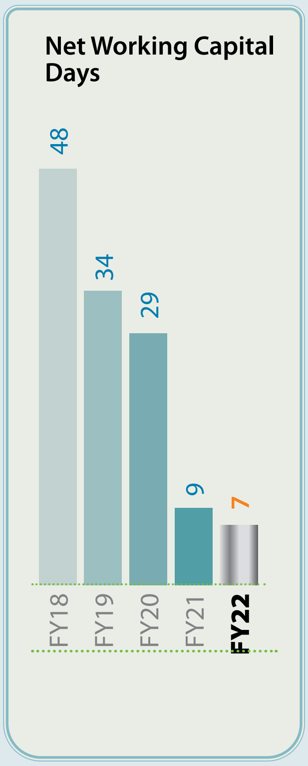
Product category	Application	FY20			FY21			FY22			Annual Capacity [KTonne]
		Sales Mix [%]	Volume [kTonne]	EBITDA/ Tonne [₹]	Sales Mix [%]	Volume [kTonne]	EBITDA/ Tonne [₹]	Sales Mix [%]	Volume [kTonne]	EBITDA/ Tonne [₹]	
Apollo Structural	Heavy structures	6	101	4,000	6	95	4,721	7	121	7,422	200
	Light structures	5	87	3,800	13	213	4,717	11	198	5,253	430
	General products	55	898	1,361	43	713	1,658	37	647	2,145	1,000
Apollo Z	Rust-proof structures	20	333	5,021	18	294	6,728	21	369	8,161	400
	Rust-proof sheet	0	2	5,000	1	23	4,720	6	105	5,146	100
Apollo Tricoat	Home improvement	7	113	6,589	14	231	7,072	14	239	8,737	350
Apollo Galv	Agri/ Industrial	7	99	3,952	5	71	6,040	4	76	6,442	120
Apollo Build/ New Raipur	Coated products	-	-	-	-	-	-	0.0	0.4	5,040	-
Total		**100**	**1,633**	**2,923**	**100**	**1,640**	**4,138**	**100**	**1,755**	**5,386**	**2,600**

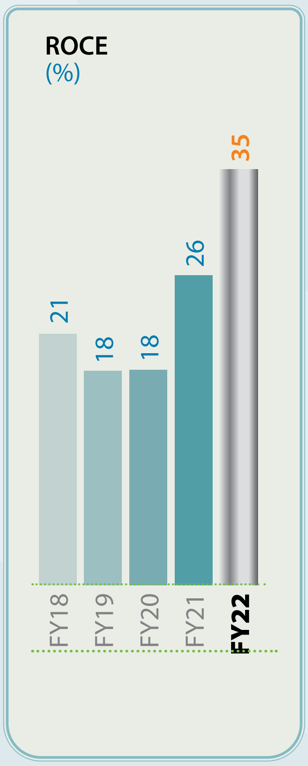
Step 2: The volume-value play increased the cash flow into the Company which it deployed to retiring debt and further investing in capital projects to augment its capabilities. In doing so, it created a virtuous circle that lowered the organisation's debt burden and increase its cash war chest.





Step 3: In the previous year, the Company took the bold step of transforming its sales policy from credit sales to a cash-and-carry model. This step has become a defining milestone in the Company's business journey, especially considering its timing - the first wave of the Covid-19 pandemic. It collapsed the working capital cycle days from close to a month to about a week. This also demonstrates the power of the brand. As a result, the Company's return ratio scaled to an unprecedented level.





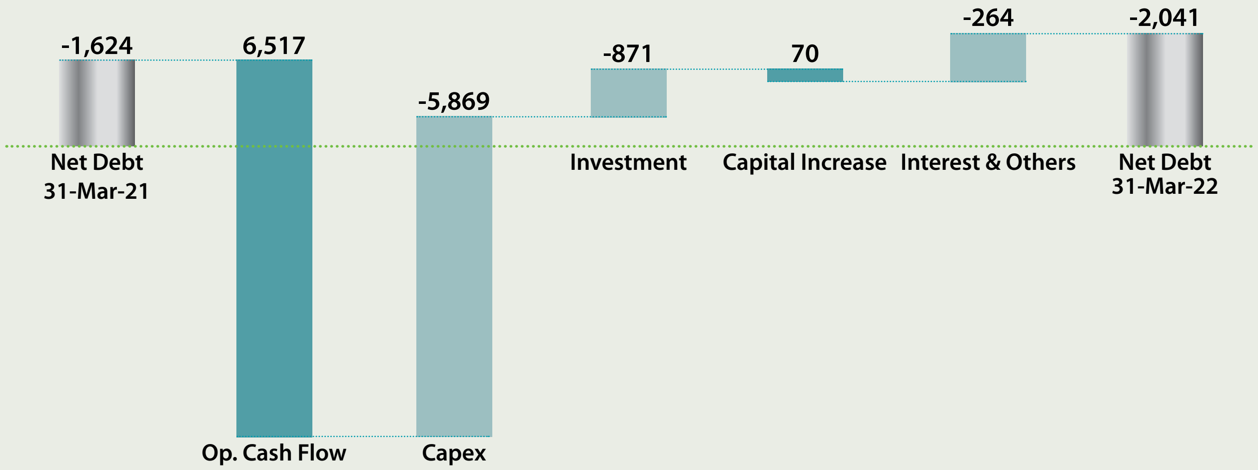
FY22 in retrospect

APL Apollo reported a stellar performance despite the significant headwinds during the period under review. While the topline grew by 54%, the EBITDA increased by about 39% and the Profit after tax leapfrogged by 55% over the previous year.

The key highlight of the year was its large investment in its Greenfield facility at Raipur being funded entirely through internal cash generation. During FY22, the Company invested ₹5billion in the facility and plans to deploy the balance in FY23.

The other highlight was that it maintained its lean working capital cycle at 7 days which is a new industry benchmark for the building products segment space - it was about 25 days in FY20. This sharp drop has made the entire business operations much more streamlined, and efficient and significantly released the financial capital otherwise locked in working capital.

Consolidated Cash flow bridge (₹mn)



Business continues to generate strong operational cash flows

Capex being funded from internal cash flows

Net Debt to EBITDA at 0.2x

Going forward, the Company is squarely focused on commissioning the Raipur facility (Phase 1), its prized jewel which holds the potential to significantly uplift APL Apollo's margins, liquidity and returns on investment.

HUMAN CAPITAL

APL APOLLO'S HR management philosophy revolves around empowering its employees to make them efficient and integral to the organisation's progress. The Company aims to balance between achieving business goals and nurturing the talent pool to enhance its competitive edge.

28	76	2,137	61
HR Team size (March 31, 2022)	Training programmes in FY22	Total On-roll Headcount as on 31st March, 2022	Avg. Revenue per employee (₹mn)

Covid management

The Company's diverse team of skilled and engaged employees plays a critical role in the sustainable growth of our organisation. The Company leveraged its HR team to provide an enabling, supportive and safe environment for its employees in this period of great uncertainty and stress. In addition, it prioritised keeping people engaged, connected and well-informed.

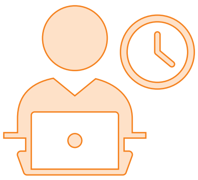
The Company extended the corporate medical insurance umbrella to cover Covid and its related expenses. APL Apollo stood strong in supporting its team members during the second wave - arranging RT-PCR tests, managing hospitalisation (where required), and staying connected with all its employees to take feedback on their well-being. This helped in bonding Team APL Apollo with Brand APL Apollo.

Moreover, the HR team further tightened the Covid-related protocols and maintained vigilance to ensure that the regulations were strictly followed. This allowed the Company to continue operations seamlessly.

Team building

In keeping with the growing business operations, the HR team continued to build on the talent pipeline, with a special emphasis on providing knowledge resources for its large upcoming facility at Raipur. The Company added 9 members to its team size.

The HR team intensified its efforts on remodeling the organisational structure in keeping with the dynamic sectoral realities and significant business expansion strategies. The HR team also focused on building its leadership pipeline to take up higher-responsibility positions in the future. During FY22, the Company identified eight star performers across the Group as part of R&R Initiatives (For their Outstanding Performance). Additionally, the process of High Potential's identification concerning their Performances for FY22 is being carried out after the completion of the Appraisal Process for FY22 and this will be followed up by fast-tracking their progression chart within the organisation.



Learning management

APL Apollo is a learning and growing organisation. Its sustained investment in cutting-edge technology and developing innovative products becomes a perfect on-job learning platform for its team members.

In addition, the HR team focused on extending its monthly training structure across all its operating facilities. The training was largely centered on technical subjects and leadership attributes. Safety training especially at the operating facilities continued all through the year with special sessions for the recruits. Refresher sessions were conducted to instill the guidelines of the Company's new Safety Policy to minimise untoward incidents at its facilities.

To strengthen the culture of knowledge-sharing, the HR team motivated the multiple teams at the facilities to participate in suggestion schemes. These schemes received a heartening response as individuals/ teams providing innovative and implementable suggestions were rewarded. While it helped in improving shop floor efficiencies, it also motivated team members to increase participation.

Motivation management

APL Apollo's stellar performance is owing to the unwavering dedication of the entire team. To ensure that performers were rewarded, and others motivated to up their performance, the HR team widened the coverage of its KRA-based Performance Management System to infuse objectivity into promotions and pay-hikes. Further, the HR team continued with its R&R initiative as a motivation to improve performance. Individual and team achievements were rewarded and showcased in operating units and offices.

INTELLECTUAL CAPITAL

As thought leaders, APL Apollo continues to lead the industry in terms of innovation across ideas, products, practices and processes. The Company fosters new ideas and celebrates innovation. In doing so, it paves the way for others to follow.

18

Design registrations granted

~1 Lakh

Sale volume of these registered products (Tonnes)

Technology

APL Apollo, since its inception, has always journeyed the road less travelled. This unrelenting spirit of innovation has positioned the Company as a market creator. It has remained faithful to these trend by introducing new technologies into India that have altered the structural steel tube landscape. The most recent innovation on the technology front is its tubular technology. The Company is deploying this technology for constructing six large multi-specialty medical buildings in the national capital. In addition, it has received orders for constructing large commercial buildings in other cities. This technology, which uses its heavy structural tubes, is expected to revolutionise construction in India over the coming years.

Products

Its superior technologies have created products that continue to gain traction. A case in point is its High Dia High Thickness Tubes (Apollo Column), Low Dia High Thickness Tubes (Apollo Mechanical), Door frames (Apollo Chaukhat), and Roofing Solutions (Apollo Z).

Going forward, the Company is launching heavy structural tubes (500x500mm) which is a first-time product for the Indian construction industry. This product when launched would accelerate verticalisation of buildings in India.

In the colour-coated tube space, the Company is setting up a unit that will provide a 3 mm colour coating to pipes. It will be the only unit in the world providing this coating thickness, thereby significantly enhancing the useful life of the product.

These painstaking efforts will create new markets. APL Apollo will be the lone player in this path-breaking space.

Information technology

The Company's passion for technology is not just limited to its manufacturing facilities, it is evident across the organisation.

The most potent showcase of its technology capability was during the Covid-19 times (first and second wave) when the Company seamlessly transition from the legacy way of working to a 'Work-from-Home' methodology. The adoption of Robotic Process Automation for routine and repetitive work that requires very-limited intellectual intervention highlights the Company's sharp focus on adopting the new.

The Company has 18 designs registered for its products. The Company sells about 8-9000 tonnes every month of these registered products which generate 40-50% margins.

SOCIAL & RELATIONSHIP CAPITAL

THE performance of a business is in extricably linked to the prosperity of its customers and the communities within which it operates. As a responsible corporate citizen, APL Apollo endeavours to leverage its acumen to strengthen its connect with its customers by deploying the smart tool. In addition, the Company undertakes a host of initiatives for the development of underprivileged communities.

348	60,000+	55	72
Investment in branding in FY22 (₹million)	Aalishaan App downloads	Market share (%)	Investment in social activities (₹million)

Initiatives:

Digital marketing

The Company has been very active on all main social media platforms to further its B2C reach. The efforts have yielded heartening results:

Facebook
- Followers: **382.6k**
- Engagements: **377k**

Instagram
- Followers: **90.6k**
- Engagements: **120k**

Building relations with customers

At APL Apollo, brand equity enhancement has become an integral part of its business strategy since 2019. The Company realises that to create a lasting impact, it needs to cement a lasting recall in the minds of the ultimate consumer.

With this focus, the Company continued to intensify its customer connect strategy. In FY22, branding expenses increased by 50% over FY21.

It appointed India's most popular youth celebrity, Tiger Shroff as its brand ambassador. It leveraged his persona to promote its steel building solution offerings.

The FY22 brand spends were used for 2 TV campaigns that were broadcasted on more than 30 channels in April 2021 and December 2021.

APL Apollo continued to sponsor the Delhi Capitals' Indian Premier League (IPL) team since 2019. As per the experts, the IPL's visibility is increasing year or year which has helped APL Apollo brand's recognition among the masses.

The Company increased its digital marketing efforts in FY22. It proved to emerge as an efficient and outward approach to reaching out to its customers. Its digital team consistently shared information through the social media handle to increase awareness of its products to its followers and share updates on the Company's progress. As a result, its social media presence grew dramatically, with more than 382,000 Facebook followers, 90,000 Instagram followers 62 thousand LinkedIn followers, 13,000 twitter subscribers and 7,000 YouTube followers.

The Company launched an outdoor hoarding campaign in 23 states and union territories across India in which it installed more than 500 hoardings. Apart from hoardings, 25,000 boards were placed in retail shops across India.

Towards the close of the year, the Company launched its B2C App called Aalishaan which makes it seamless for users to access an exclusive steel home décor library with more than 300 designs and connect with the nearest fabricator to submit steel furniture service requests and get them made at their doorstep.

APL Apollo created a platform that connects customers and fabricators. In the initial few months of its launch, it received a great response with over 60,000+ downloads and 25,000 fabricator registrations. In lieu of the positive feedback to this initiative, the Company has decided to begin an ad campaign for the Aalishaan app in the coming months. This would help in onboarding more consumers and fabricators on the application.

Linkedin
- Followers: **62.7k**
- Engagements: **2k**

Twitter [Verified]
- Followers: **13.8k**
- Engagements: **3.6k**

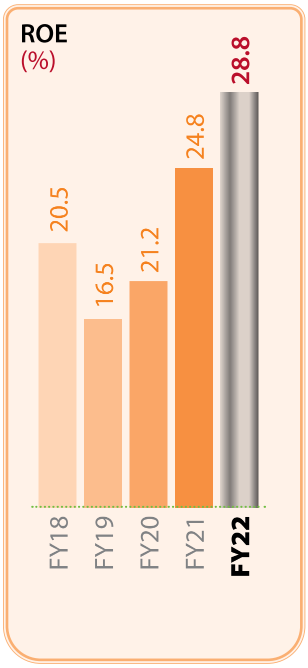
YouTube
- Followers: **7.66k**
- Watch time: **1.4k (hour)**

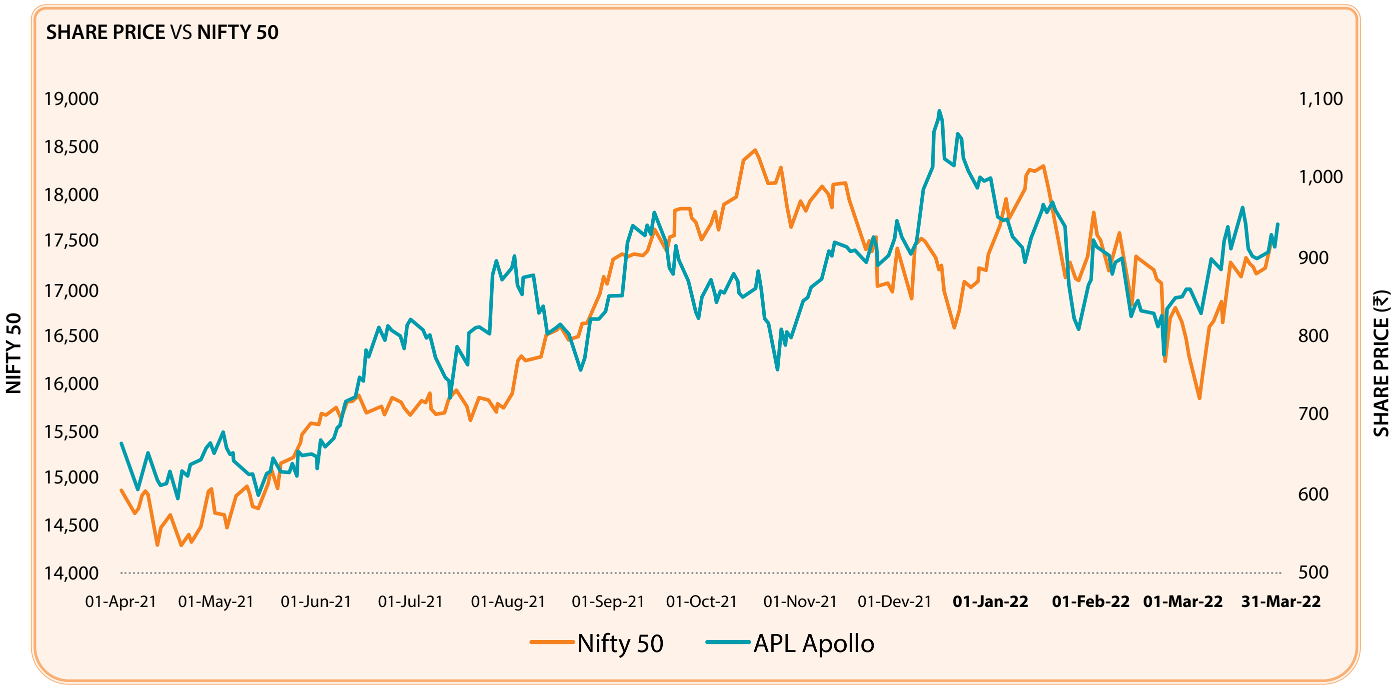
Building relations with distributors

APL Apollo has created the largest distribution network in its business space. Its expansive and entrenched network is its front face to the end consumers. The Company pays deft attention to fostering healthy relations with its distribution network. It works doggedly to grow the business of its distributors - through a wider range of products, faster deliveries, continued awareness efforts, innovative schemes, interesting reward and recognition programs and business policies that ensure that business is managed efficiently. The result of its efforts is reflected in the rising sales volumes and the dominant market share in an increasingly competitive and dynamic marketplace.

Building relations with investors

APL Apollo has been the darling of the stock market owing to its unwavering passion and determined efforts of sustaining robust business growth. This has helped it create immense value for its shareholders. As an astute corporate, the Company keeps its shareholders updated with all events and initiatives of the business through its exhaustive investor presentations. The Leadership Team holds analyst calls at the end of every quarter to discuss the performance and prospects of the Company. Superior performance and profitability and detailed and transparent communication with the investor community have positioned APL Apollo as a dependable investment option.





Building relations with communities

APL Apollo remains committed to improving the quality of life for communities around its operating units. The Company has invested ₹72.4 million in FY22 for people upliftment initiatives by collaborating with multiple NGOs.

The proposed agreement under CSR with JSW Foundation is for part financing the construction of the **'Museum of Solutions'** in Mumbai. This world-class museum aims to impart the knowledge, skills, and actions that kids need to solve challenges they see around them and create awareness of the UN Sustainable Development Goals. APL Apollo is also collaborating with Plaksha University, Mohali under its CSR programme to support their endeavours in nurturing the next generation of leaders through education who would solve the challenges faced by the world.

NATURAL CAPITAL

THE need for climate change mitigation has never been greater than now. As such, APL Apollo has committed itself to making its operations sustainable. Its decided aim is to leave a better and cleaner world for future generations. In line with this philosophy, the Company is increasingly focused on developing efficient and sustainable products & processes targeted at reducing carbon footprint, preserving natural resource consumption and fighting climate change. Its actions are contributing to a better world, protecting natural capital, and making its manufacturing more resource-efficient and resilient.

353m^3

The capacity of rainwater harvesting pits

17MW

Renewable energy portfolio

Products & processes

APL Apollo has founded its business to improve the quality of life and reduce that burden on the Earth. The Company's unwavering focus on developing and delivering efficient products for its customers has also helped it contribute meaningfully towards reducing resource consumption.

APL Apollo has been at the forefront of introducing industry-transforming technology which is environment respecting and plays an important role in optimising resources. The Company introduced the state-of-the-art Galvant Process in India. This process minimises the consumption of harmful chemicals and extends the life of the product. It introduced the Direct Forming Technology (DFT) which allows it to produce any customised size of Hollow Section, included in the mill range, without roll change. This leads to significant savings in steel utilised as raw material. This technology also helps in significant power saving and saving in time.

The Company's products are made out of steel, one of the most recyclable metals on Earth. Its hollow steel tubes are specially imparted with high-strength and extreme durability which enables it to reduce the consumption of other conventional products, including steel. Some of its products namely door frames and planks, substitute wood and aluminium.

Energy management

Energy consumption is one of the main causes of Greenhouse Gas emissions and, as a result, Climate Change. Moreover, looking at the energy-intensive nature of APL Apollo's operation, energy conservation assumes significant importance. In the recent past, the Company has integrated energy efficient systems throughout the production value chain and adopted energy conservation measures wherever possible which has helped it to achieve significant energy savings at its plants. These initiatives have helped the Company in reducing its energy consumption per tonne of output.

To further reduce its carbon footprint, the Company has invested in a sizeable renewable energy portfolio, combining solar and wind, of 16.5 mw and we have planned to add further 12.5 mw by FY23. We have arrangements with third parties to consume wind energy at SLMUL and Hosur. It is in the process of making additional investments to its renewable energy portfolio. These investments should see the light of day in the current year.

Water management

Optimising water consumption is fundamental to sustainability. Activities such as recycling of process water and treated effluent, have led to a reduction in fresh water usage. For this, the Company has invested in water recycling facilities at all its plants.

Additionally, every manufacturing facility is equipped with Effluent Treatment Plants and Sewage Treatment Plants commensurate to their size of operation. Of its 11 manufacturing facilities, 2 facilities are Zero Liquid Discharge; others units are working towards achieving this position.

Further, the Company has deployed rainwater harvesting techniques to recharge the water Table. The Company has set up water recharge potential (Rain-Water Harvesting - RWH pits) at three of its plants in North India and is working on investing in more such infrastructure at other locations.

Green cover management

APL Apollo has adopted the traditional and natural route of re-oxygenating our Earth - by extending the green cover. The Company encourages its team to tree plantation inside its facilities and around the periphery of its operating units.

Waste management

As a responsible organisation, the Company adopts the **3R policy (reduce, reuse and recycle)** whenever possible. The environment management teams monitor both hazardous and non-hazardous waste generated at every unit. The Company disposes the waste generated through its production processes following the local laws and regulations. Furthermore, the Company is working on implementing an E-waste policy that will allow it to safely dispose of electronic waste.

APL Apollo is setting up an innovative gravelling line to improve efficiency which will help reduce zinc consumption by 4 kg per tonne of output. On an annual basis, it could reduce zinc consumption by about 3,000 tonnes.

THE CRITICAL BUSINESS INTANGIBLE

Compliance by the Leadership

AT APL Apollo, we manage our businesses responsibly and in compliance with the statutory requirements of the locations in which we operate.

We do not tolerate any violation of laws, codes of conduct, or internal regulations. The Management is fully committed to compliance and the senior leaders serve as anchors and have a pivotal role to play in implementing the compliance interventions.

The compliance management framework is managed by the in-house compliance function. The function is adequately staffed with compliance managers who are responsible for establishing business and industry-specific standards in all units across the organisation. Adherence to compliance obligations is among the subjects covered in audits by the Internal Audit team. Observations from such audits are placed before the Audit Committee and the Board of Directors.

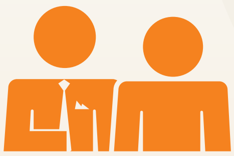
Corporate Ethics

Our reputation as an ethical and trustworthy company is our most important asset. We are committed to complying with all regulatory laws and corporate governance guidelines, adopting global best practices, and maintaining ethical behaviour along with comprehensive and fair disclosure across every aspect of the business. These facets are enshrined in our Code of Conduct - policies have been framed and their practice institutionalised across all our facilities.

Policies that foster ethical practices

Stakeholder grievance mechanism

APL Apollo is committed to promoting responsible behaviour and value for social and environmental well being. It has a policy on business conduct that applies to all its employees and value chain partners. It has a structured stakeholder grievance redressal mechanism through which stakeholders freely share their concerns and grievances with the Company.



Whistleblower policy

The whistleblower policy/vigil mechanism has been formulated by the Company to provide a mechanism for Directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud, or violation of the Code of Conduct or Ethics Policy, or any other unethical or improper activity.

Anti sexual harassment policy

APL Apollo has structured a well-defined policy to prevent any kind of misconduct based on gender diversity and foster a conducive work environment for women employees. The policy provides direction, process, procedure and forums for submission, hearing and resolution of complaints concerning any alleged acts of sexual harassment. The Complaints Committee formed by the management of the Company hears the complaints.

Investor Protection policy

The investor protection policy at APL Apollo is a two-window mechanism designed to offer investor services and redress investor grievances to maintain flawless transparency in the entire business. Abhipra Capital Limited, the Registrar and Share Transfer Agent (RTA) of the Company are tasked to handle requests from and address complaints of shareholders. Further, a Stakeholders Relationship Committee looks into the redressal of shareholders/investors' complaints. The committee reviews the mechanism of grievance redressal, reports submitted by the RTA, compliance with various SEBI regulations and periodically report to the Board about serious concerns if any.

Anti-Bribery & Anti-Corruption/Gifts & Entertainment

APL Apollo has structured a well-defined policy to prevent any kind of misconduct based on gender diversity and foster a conducive work environment for women employees. The policy provides direction, process, procedure and forums for submission, hearing and resolution of complaints concerning any alleged acts of sexual harassment. The Complaints Committee formed by the management of the Company hears the complaints.

Accepting Gifts and Entertainment - General principles

In general, employees should not accept gifts - anything of value (including entertainment and incentives) from current or prospective customers or suppliers, unless it is following the Operational Guidelines for Acceptance of Gifts Entertainment and Sponsored Travel. These guidelines broadly cover the following areas:

- Gifts
- Entertainment and Sponsored Travel
- Incentives offers received at the Group's Level

The offering of Gifts and Entertainment - General Principles

Gifts and/or entertainment should be offered only post appropriate approvals from relevant senior management and in compliance with the Operational Guidelines for Gifts Entertainment and Sponsored Travel. These guidelines broadly cover the following areas:

1) Gifts
2) Entertainment, Hospitality, and other expenses
3) Donations

Bribery and Corruption

1) Bribery/Corruption is defined as receiving or offering any undue reward from/to any third party.
2) One should note that APL Apollo follows a zero-tolerance approach toward Bribery and Corruption.
3) No payment to or for anyone to obtain or retain business or for obtaining any favorable action. If found to be involved in making such payments, the person would be subject to disciplinary action as well as potential civil or criminal liability for violation of the Code.
4) Not offer or give any funds or property as a donation to any government agency or its representatives, to obtain any favorable performance of official duties.
5) It is expected from stakeholders to put in the best of their efforts in every transaction, one will not be penalized by APL Apollo for the delayed performance of a transaction solely on the grounds of refusal to pay bribes.
6) One should familiarise themself and comply with the Group's Anti Bribery and Anti-Corruption Policy which is available on the Intranet.

Do's	Don'ts
Accept or offer any gift and/or entertainment only in line with the Code and the Operational Guidelines for Gifts Entertainment & Sponsored Travel	Make any payment to or for anyone that could be tantamount to bribe/corruption
Adhere to Group's Anti-Bribery & Anti-Corruption Policy	Receive/accept a gift, entertainment, etc. from a prospective customer of the Group
	Offer gifts and/or entertainment to any person to obtain or retain business or for influencing any decision or action of the recipient improperly

Leadership Engagement

APL Apollo's governance structure is a cumulation of monitoring by the Board, Management (through various committees) and the regulatory team comprising senior executives from among the leadership team. Leadership engagement on topics such as sustainability, corporate social responsibility, corporate governance and membership in different industry bodies have helped the organisation strengthen its respect at the local and national levels.

Compliance Framework

At APL Apollo, corporate governance encompasses the rules, practices, and processes by which the Company is directed and controlled. Corporate governance essentially focuses on balancing the interests of stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community at large.

The Board, which is at the heart of APL's governance framework, possesses the correct balance of skills, knowledge and industry experience to lead the Company effectively, achieve the strategic objectives and long-term goals, and drive sustained long-term value for the shareholders. APL Apollo's corporate governance practice is supported by several committees. These committees, in turn formally report to the Board following each meeting to ensure that the Board remains fully updated on their activities.

5

Independent directors on the Board

5

Board Committees headed by Independent Directors

Nil

Issues raised under the Whistle Blower mechanism

ESG AT APL APOLLO

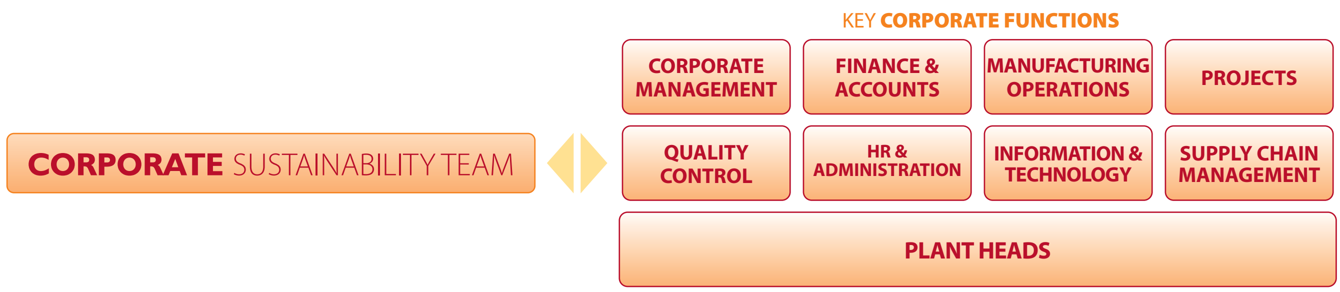
As a company, we are committed to improving everyday life and to contribute responsibly towards the future. We recognize that we operate in a manner where our dependency on scarce natural resources is high and it is imperative for us to manage our environmental impact from our operations. Therefore, **Environmental, Social & Governance (ESG)** factors are at the core of our business and our supply chain.

An ESG roadmap was developed in 2021, with 3 clear phases. The first phase was laying the ***Foundation in 2021,*** which focused upon creating a strong foundational base and having a governance structure and policy framework in ESG. The second phase, which we are in currently, is ***Achieving Milestones (2022-2024)*** which focuses upon integrating ESG risks, identified considering our business risks, in our business decision making and achieving the set targets.

Finally, ***Leading the Way (2025 onwards)*** is an endeavor to become a pioneer in ESG with a well-established ESG framework.

In FY2022, APL Apollo formalized its process towards ESG Governance. Our ESG vision and mission are a reflection to the commitments we have taken in the last year towards all our stakeholders which includes our employees, suppliers, and customer to ensure high quality materials. With our underlying objective of being honest and transparent, we are clearly outlining the targets taken, our progress and efforts for continual improvement. The ESG Charter is a policy document which outlines the purpose and allows stakeholders to communicate sustainability issues, targets, and report progress in short-, medium-, and long-term goals.

We have formed a strong ESG governance structure to follow the ESG Charter and this oversight of this is through three levels broadly: The Board (ESG Committee), Corporate Management (ESG Council) and Site Management (Site Council).



In the last year, the company has updated its Code of Conduct, Safety Manual and Human Rights policy. All these policies are integral for formulating and succeeding in the ESG journey that APL Apollo has embarked on. The company hasassessed its Scope 3 emissions, in addition to Scope 1 & Scope 2 emissions, which identifies emissions in the value chain. This assessment helps the company in eventually estimating the GHG inventory across the Scope 3 emission and taking steps in moving towards net zero.

The targets taken by APL Apollo continue to progress and are under four key performance indicators - Responsible Business, Responsible Operations, Responsible Employment, and Responsibility towards communities.

Responsible Business comprises of our commitment towards a strong economic and market presence through zero case of violation of the Code of Conduct. We intend to achieve thisby imparting yearly training for all employees on the ***Code of Conduct.***

Responsible Operations places emphasizes on our commitment to nurturing environmental resources, efficient water, and energy management. Some of the key targets taken under Responsible Operations, with a target year of 2025, are ensuring all plants have access to renewable energy, ensuring installations of rainwater harvesting at all units, monitoring scope 3 emissions and ensuring all units to be zero liquid discharge (ZLD) facilities.

The heart of our company is our employees; therefore, some of the targets taken under Responsible Employment are ensuring health and safety of employees by aiming to achieve zero incidents and harm by 2025, providing safety training to site and corporate employees, maintaining an attrition rate below 5%. Working towards an inclusive workforce is a priority; therefore, we have taken a target to increase the female workforce by 1% in the permanent employee category by 2025.

Lastly, Responsibilities towards Communities demonstrates our plan to create a positive impact in local communities through CSR initiatives.

OUR **CONSCIENCE KEEPERS**

SHRI **SANJAY GUPTA** - *Executive Chairman*

Shri Sanjay Gupta has around 25 years of experience in diverse steel industry segments. Under his visionary and dynamic leadership, the Company has evolved and developed from a steel tube manufacturer into a global leader in branded steel products. He has inherited excellent entrepreneurship skills from his father late Shri Sudesh Gupta. Under his leadership, the Company continues to grow exponentially towards becoming an organisation of international repute.

SHRI **ASHOK KUMAR GUPTA** - *Director*

Shri Ashok K. Gupta holds a Master's degree in Physics and completed his PGDBA from AIMA. He is an industry veteran with over three decades of experience working in critical management positions in reputed organisations like SAIL, Jindal, Bhushan Steel, the L.N. Mittal Group and Shalimar Paints Limited. He has been the driving force for propelling the growth engine and yielding profitable results for the Company.

SHRI **VINAY GUPTA** - *Director*

With more than two decades of industry experience, Shri Vinay Gupta has in-depth knowledge in the manufacturing and trading of pipes, tubes, sheets and other steel products. He has been assigned the responsibility of driving the Company's pre-galvanised and international market businesses.

SHRI **ROMI SEHGAL** - *Director*

Shri Romi Sehgal has made an excellent contribution to the Steel and Tubes Industry for more than three and a half decades, right from designing and manufacturing Tube Mills to putting up Greenfield projects, and successful commissioning of projects and ensuring uninterrupted optimum production from factories. He is a science graduate and has worked in managerial and leadership positions in reputed companies such as Atlas Steel Tubes Limited, Atma Steel Tubes Limited, Bharat Steel Tubes Limited and for 13 Years in Gallium Industries Limited, which is a manufacturer of Steel Tube equipment in collaboration with Kusahabe Elect. and Mech. Co, Japan.

MS. **NEERU ABROL** - *Independent Director*

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

SHRI **ANIL KUMAR BANSAL** - ***Independent Director***

A former executive director of the Indian Overseas Bank, Shri Anil Kumar Bansal, brings with him four decades of rich experience in the banking industry. He supports the organisation in undertaking key financial decisions. His impressive knowledge of banking, the Indian economy, corporate affairs and risk and ratings are strongly backed by his rich professional experience. Currently, he is serving as the Director of Rockland Finstock Limited, IFCI Venture Capital Funds Limited, GVFL Trustee Co Pvt. Ltd and Apollo Tricoat Tubes Ltd. He is also the former director of Canara HSBC Oriental Bank of Commerce life Insurance Company Limited, CARE Ratings Limited and NABARD.

SHRI **ABHILASH LAL** - ***Independent Director***

A mechanical engineer and postgraduate from IIM Bangalore, Shri Abhilash Lal has 32 years of professional experience in senior roles across financial services, including banking, consulting, real estate, private equity and restructuring. He has led institutions across business development, strategy as well as operations.

SHRI **VIRENDRA SINGH JAIN** - ***Independent Director***

Shri V.S. Jain has completed his assignment as a member of the Public Enterprises Selection Board (PESB), which has been set up by the Government to evolve a sound managerial policy for central public sector enterprises and to advise the Government on appointments to top management posts at the Board level. In the past, he has served as the Chairman of the Steel Authority of India (SAIL) and held the post of Executive Director of Indian Oil Corporation (IOC). He has also served as an independent director on the Boards of Rashtriya Ispat Nigam Ltd., Essar Oil Ltd., and the National Multi-Commodity Exchange of India. He is presently on the Board of Dalmia Bharat Ltd. He is a fellow member of the Institute of Chartered Accountants of India as well as the Institute of Cost Accountants of India.

SHRI **AMEET KUMAR GUPTA** - ***Independent Director***

Shri Ameet Gupta is the Whole Time Director at Havells India Limited, India's largest electrical goods manufacturer for residential, commercial and industrial use. He had joined Havells in 1995, where he has developed and implemented multiple strategic tie-ups with global partners helping the organization register a robust growth.

Shri Ameet graduated with a B.Tech in Electronics and Communications from Delhi University and completed his MBA in Marketing and Finance from Wake Forest University, North Carolina, USA.

His passion for research and development has led him to lead technological innovation and product development in the said Company. Apart from R&D, a few of his focus areas have been manufacturing and sustainability.

SHRI **RAHUL GUPTA** - ***Director***

Shri Rahul Gupta has completed B.Com. (Hons.) from Delhi University. He has also completed executive courses in the field of Management from reputed B-Schools like London School of Economics and Indian Institute of Management, Ahmedabad (IIMA). He is a promising entrepreneur with an experience of around 6 years in steel tubes manufacturing business and has handled operational management, marketing and institutional sales. He is the recipient of 'Young Achiever Award' for Organisation Building at Global HR Summit 2017.

OUR **LEADERSHIP TEAM**

OUR **THINK TANK**

SHRI **SANJAY GUPTA**
Chairman & Managing Director

SHRI **VINAY GUPTA**
Director

SHRI **ROMI SEHGAL**
Director

SHRI **ARUN AGRAWAL**
Chief Operating Officer

SHRI **DEEPAK GOYAL**
Chief Financial Officer

SHRI **ANUBHAV GUPTA**
Chief Strategy Officer

SHRI **ANURAG MEHROTRA**
Chief Human Resource Officer

SHRI **RAVINDRA TIWARI**
Head-Sales & Marketing

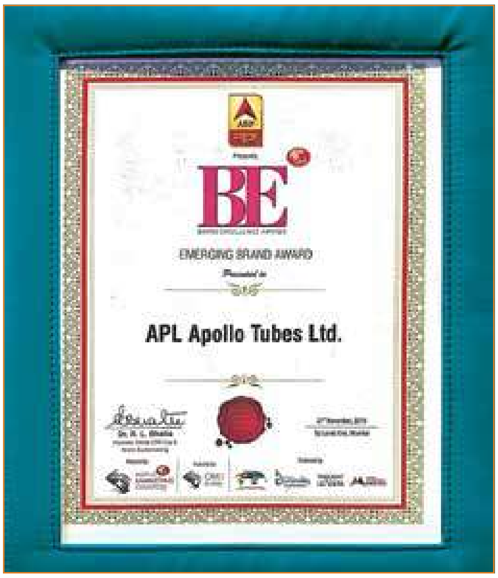
SHRI **AJAY GARG**
VP-Procurement

REWARDS & RECOGNITION

OUR **SATISFACTION INDEX**

2017

APL Apollo Tubes Ltd received "India's Best Company of The Year" award received from International Brand Consulting Corporation, USA

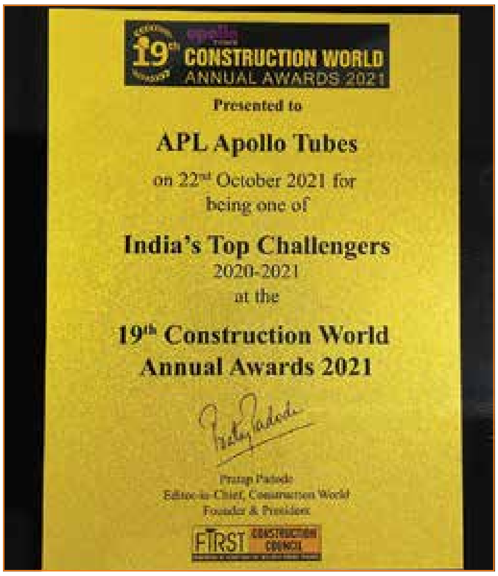


2019

APL Apollo Tubes Ltd received Emerging Brand award for the Year 2019 from ABP news Brands Excellence Awards

2018

APL Apollo Tubes being facilitated by CREDAI



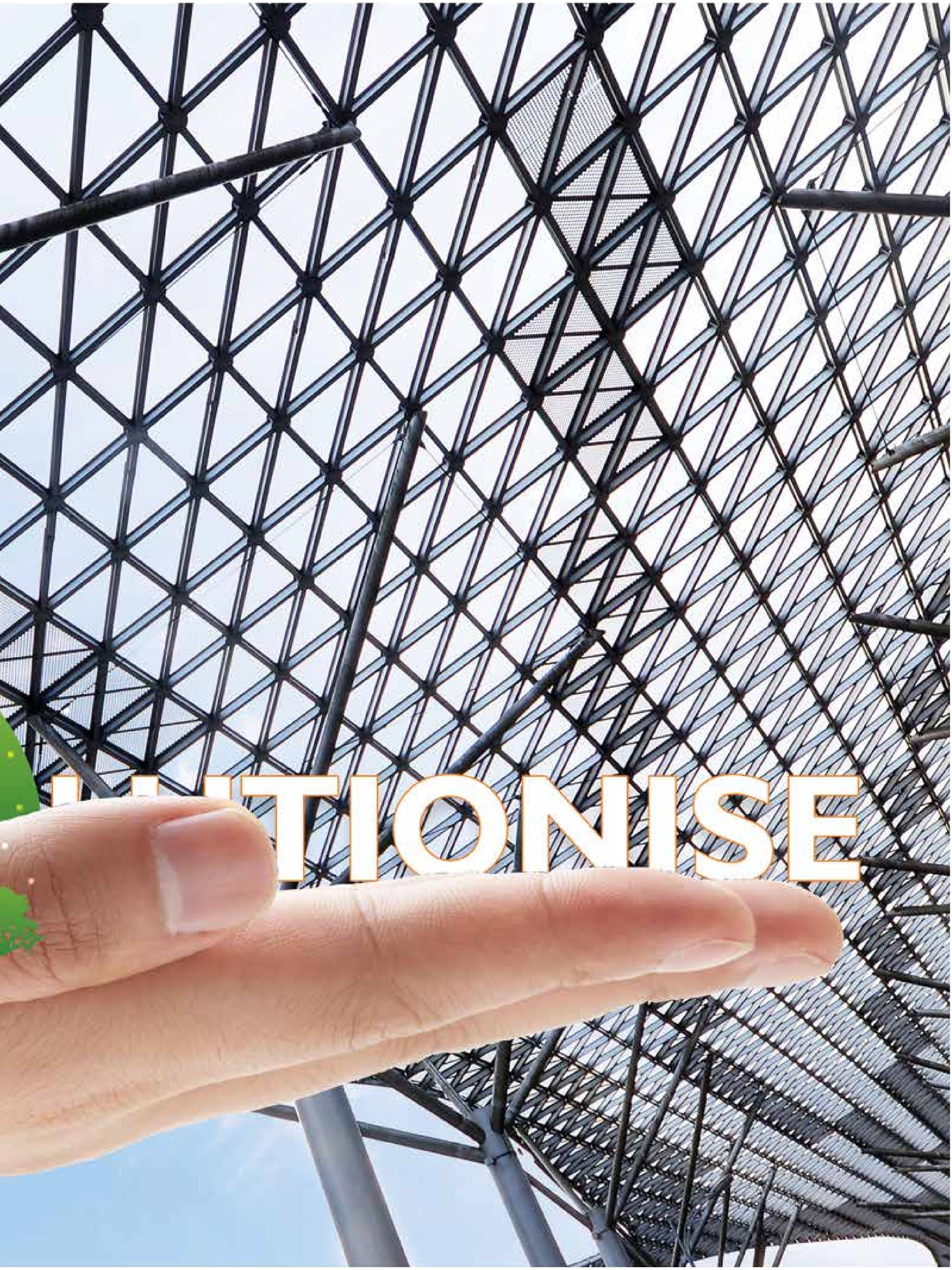
2021

Construction World Annual Awards 2021

2019

Times Power Icons 2019 for North region certificate of recognition received by Mr Sanjay Gupta (The Chairman, APL Apollo Tubes Ltd) for exemplary contribution in the field of excellence in the field of steel pipes and section

MANAGEMENT DISCUSSION & ANALYSIS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AN ECONOMIC REVIEW

OUR BUSINESS ECOSYSTEM

2021, was the year in which all nations across the world, small or big, advanced, developing or emerging, in one voice echoed RESURGENCE. A single word that aptly encapsulates the mood and spirit of the world economy. Despite the multiple waves of the pandemic impacting nations, the world refused to relent. It fought back with disciplined determination to eliminate the fear from this invisible enemy and flatten the curve.

Global GDP grew 5.5% in 2021 against a contraction of 3.2% in 2020. Global trade stood at US$28.5 trillion - a growth of 25% over the benchmark of 2020. Trade in services rose by US$50 billion to touch $1.6 trillion, just above the pre-pandemic levels. The only impediments to the world's economic progress were the lingering global logistics and supply chain issues, a significant shortage of semiconductors and poor growth in the communication equipment sector.

Going forward, global GDP is expected to grow by 4.1% in 2022 owing to the continued supply-chain disruptions and withdrawal of fiscal support the world over. This number could be lower owing to the Russia-Ukraine crisis which has indirectly impacted the progress of several economies - advanced, developing and emerging.

India emerged as the fastest growing major economy as she resurged with poise from the abyss of economic apathy.

Despite the increasingly contagious and virulent second wave that impacted lives and livelihoods across the Indian landmass, a resurgent India and vaccinated Indians successfully flattened the curve with speed. As fear subsided, economic activity resumed with renewed vigor owing to pent-up demand resulting in a significant increase in private consumption. An increase in Government expenditure further fueled economic growth.

As a result, India's GDP expanded by 8.9% in FY22 against a contraction of 6.6% in FY21. The growth was contributed by all segments of the economy namely agriculture, industry and services - the industrial segment was the star performer registering a growth of more than 11% in FY22 against a contraction in the previous year.

The nation garnered higher tax collections of over ₹27 trillion in FY22 about 34% more than what the government collected in FY21.

The economic resurgence, so to speak, was cut short towards the end of FY22 owing to the geopolitical crisis which resulted in a spike in commodity prices, fuel prices, supply-chain disruption and logistical costs - which hurt the economic progress in Q4 of FY22 and whose impact will be felt in FY23.

In keeping with this reality, the Reserve Bank of India factored this negative and pared its estimated GDP growth for FY23 from 7.8% to about 7.2%. This number, in reality though, will depend on the duration of the war and the outcome of debilitating sanctions that the western world has imposed on Russia - it will have its set of opportunities and challenges for India Inc. in FY23.

8.9%	11.8%	6.7%	19.9%
GDP growth in FY22	Industrial sector growth in FY22	Fiscal deficit in FY22	External Debt to GDP ratio as on March 31, 2022

STRUCTURAL *TUBES*

OUR **BUSINESS SPACE**

IIT Kanpur defines Structural Steel Tubes as seamless and welded tubes that are in the form of circular, oval, square, rectangular and special shapes. The primary purpose of these tubes is to be used in welded, riveted, or bolted construction of bridges and buildings.

These days almost all modern structures like airport terminals, modern buildings, warehouses, etc. use structural steel tubes extensively.

Structural steel tubes provide interesting benefits over other products of comparable types. This kind of tube has very high tensile strength and works very well against longitudinal stress, meaning it does not bend easily.

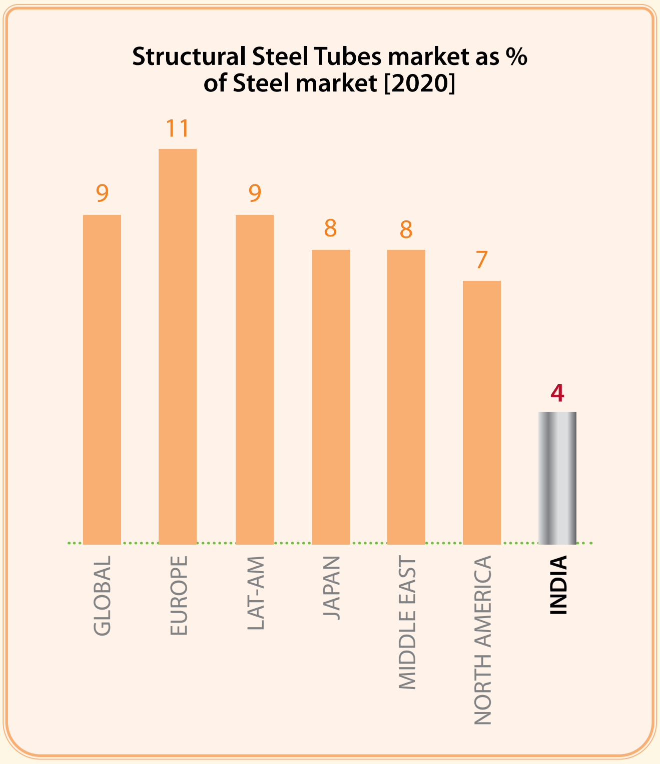
During construction, it provides greater durability than regular pipes and concrete. These tubes are corrosion-resistant. In terms of construction, structural steel tubes are very flexible to work with. As a steel material, it is very recyclable. Using steel pipes can be very cost-effective because of the minimum requirement of the workforce and it's cheaper than other materials. Also, it provides excellent protection to the materials running through it. Also, these tubes are light and consistent, so weight is not a concern anymore

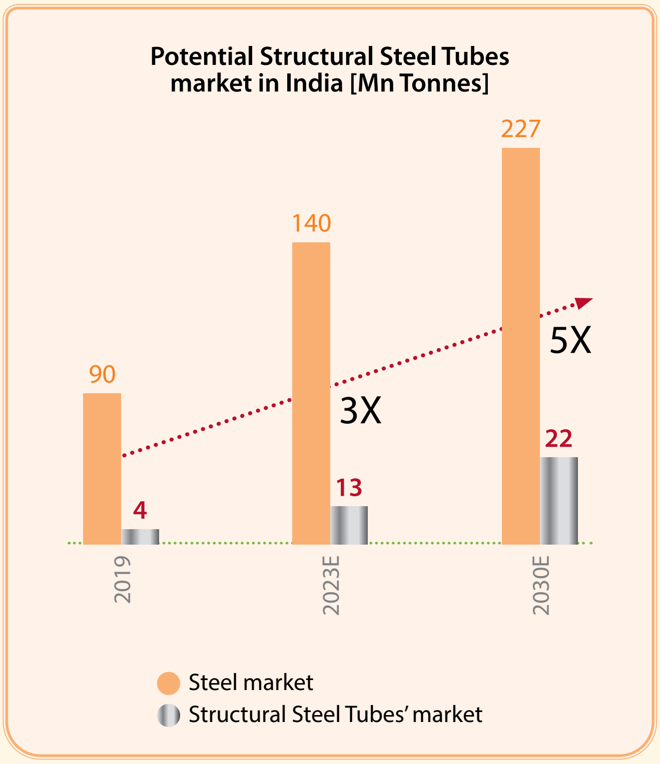
The structural steel tubes market in India is still at a nascent stage. Infrastructure players are still waking up to the benefits of using these tubes in big construction projects as a much better alternative to concrete-based structures.

According to sources, 9% of total steel used globally is in the form of structural steel tubes. But in India, that number accounts for only about 4%. In India, housing construction is fueling the demand for structural steel tubes. Also, the Government's push for infrastructure expansion and fast-track construction of large infrastructure projects like airports is driving the demand for these tubes. Warehouse creation is also fueling offtake.

Moreover, the pandemic and the resultant labour shortage, have pushed construction companies to use these tubes - owing to their easily customisable nature. India's structural Steel Tubes market size is 4 Mn tonne, out of a total ERW market size of 6 mn tonne (balance is water transportation).

India at the start of Structural Steel usage





India has huge structural steel tube potential

Airports

Highrise buildings

Retail applications

Greenhouse structures

Warehouses

Futuristic cityscape

OUR BUSINESS PERFORMANCE

Headquartered in the Delhi NCR region, APL Apollo is a pioneer and leading branded steel product manufacturer in India.

The Company's 11 state-of-the-art manufacturing facilities have the capacity to manufacture 2.6 mn tonnes of structural tubes. The product type includes - Pre-galvanised tubes, Galvanised tubes, Structural ERW tubes, MS Black pipes and Hollow sections which allows us to offer the most diversified product portfolio in branded steel products space comprising more than 1,500 SKU. The Company's products are used across India for diverse applications and exported to 20 nations globally.

OPERATIONAL PERFORMANCE

The Company's operations scaled a few notches higher as production volumes increased from 1.6 mn in FY21 to 1.7 mn in FY22. This was despite the covid-related disruption in the first two months of the fiscal.

This increase happened owing to the operations team's effort on improving its production planning and disciplined execution thereof.

During the financial year, the Company launched three value-added products namely Color Coated Tubes.

Black Annealed Tubes and Galvalume Tubes. Commercial production of Colour Coated Tubes commenced at its Greenfield facility at Raipur - for this the Company invested in novel technology.

At the same unit, trial production for Black Annealed Tubes and Galvalume Tubes is underway - the commercial production of these products is expected to commence in the current financial year.

The other highlights for the financial year under review were: The Company entered the pre-engineered building space with considerable success. It capitalised on the opportunity to build a medical building and an oxygen plant leveraging this technique - the steel structures of these buildings have been put in place in record time as compared with the conventional method of construction. The successful completion of these projects is expected to open the floodgates of opportunity.

Adding another milestone in its corporate journey, the Company introduced path-breaking initiatives to move closer to the ultimate consumer. It launched an app for the end consumer to connect with the Company and its products; it set up its first 5,500 sq ft retail store for steel tube furniture distributor store in Dehradun.

In addition, the Company onboarded Tiger Shroff as the brand ambassador for its products - TV commercials and social media campaigns pivoted on the new brand ambassador were launched in the second half of the financial year.

FINANCIAL PERFORMANCE

(DUE TO HIGHER PAT AND BETTER WORKING CAPITAL MANAGEMENT)

APL Apollo continued to better its performance despite the volatility that prevailed through the year under review. This is owing to its robust business model, accurate business strategies and discipline execution.

Revenue from operations scaled to ₹1,30,633 million in FY22 against ₹84,998 million in FY21 - a jump of 54%. This growth is volume-led as it is value-driven. Sales volume from 1.64 mn tonnes in FY21 to 1.75 mn tonnes in FY22 while the share of value-added products in its sales mix increased from 57% in FY21 to 63% in FY22.

EBITDA increased from ₹6,787 million in FY21 to ₹9,452 million in FY22 (EBITDA is excluding Other Income). While the EBITDA per tonne increased from ₹4,138 in FY21 to ₹5,386 in FY22.

Net Profit for the year scaled to a new peak - it stood at ₹5,573 million in FY22 (Net Profit is after non controling interest) against ₹3,602 million FY21. Earnings per share increased from ₹14 in FY21 to ₹22 in FY22.

Of the Net Profit earned during the year, the Company has set aside ₹876 million to be distributed as dividend to shareholders, the balance being ploughed into the business for strategic growth initiatives.

In doing so, the Company's Networth grew from ₹16,947 million as on March 31, 2021, to ₹22,640 million as on March 31, 2022. Correspondingly, the Book Value per share increased from ₹68 to ₹90 over the same time period. The Return on Networth improved by 398 bps over the previous year's benchmark (24.8% in FY21) to 28.8% in FY22.

The Company deployed majority of its business liquidity into capacity augmentation and capability building initiatives.

It invested ₹586 million in FY22 in capex projects. This has resulted in an increase in the Net Block (from ₹15,014 million as on March 31, 2021, to ₹16,041 million as on March 31, 2022) and in the Capital Work-in-Progress (from ₹1,077 million as on March 31, 2021, to ₹5,037 million as on March 31, 2022).

The debt equity ratio from 0.10x in FY21 to 0.09x in FY22. It reduced the interest liability for the Company.

The Company continued to monitor is working capital closely. Hence despite a significant increase in business operations, working capital remained stable. It could sustain its working cycle at less than 10 days. This is a new benchmark in the Indian structural tube space. This is also a reflection of the Company's product quality and brand position.

Significant changes

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

Particulars	2021-22	2020-21	Change (%)	Reasons for change
Current Ratio	**1.3**	1.2	8	Current ratio improved due to better working capital management
Debt-Equity Ratio	**0.1**	0.1	(6)	Remain unchanged as the Company incurred large capex
Interest Coverage Ratio	**19.7**	9.3	113	Company's EBIT increased 43% while net debt increased by 26%
EBITDA margin (%)	**7.2**	8.0	(9)	EBITDA/ton increase by 30%, however margins appears low due to high NSR
Net Profit Margin (%)	**4.3**	4.2	1	PAT increased by 55% supported by EBITDA growth of 39% and interest cost declined by 33%
Return on Net Worth (%)	**28.8**	24.8	16	Due to increase in PAT & better working capital management

HUMAN RESOURCE

APL Apollo regards its people as its most valuable assets. As such, the Company sustained its investment in its human capital to sharpen their expertise, nurture their leadership qualities and provide them a platform to ideate, innovate, fail and succeed.

The Company, through its people-centric policies and initiatives, continues to keep its people engaged, enriched and motivated.

The Company went above and beyond to support its people during the second wave of the pandemic.

In these trying times, the Company continued its capability-building efforts by leveraging the virtual mode.

These practices enable the Company to keep the attrition rate well below the industry average. The APL Apollo team comprised 2,137members as on March 31, 2022.

However, the future of work, talent and employment is changing at an unprecedented pace but in the Company, the management believes in keeping our team happy, competent and inspirational to unleash the intrinsic value within them.

Going forward, the HR team will focus on strengthening its leadership pipeline. Besides, the team will work closely with the IT team to deploy IT-based solutions for improving the working environment.

INTERNAL CONTROL & ITS ADEQUACY

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

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

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

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

RISK MANAGEMENT

Risk management is integral to any business. APL Apollo has devised its risk management mechanism to predict, pre-empt and prevent financial or commercial risks, errors and frauds. It simultaneously strengthens the Company's business model to make profitable growth sustainable.

The framework involves an integrated risk appraisal system and mitigation strategy with all key managers being part of the mechanism. The control measures are placed before the Company's board for periodic review and improvement.

Board's Report

To the members of

APL Apollo Tubes Limited,

Your Directors have pleasure in presenting the Thirty Seventh (37th) Annual Report on the business and operations of your company together with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE:

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

(₹ in crores)

Parameters	Consolidated		Standalone	
	FY 2021-22	FY 2020-21	**FY 2021-22**	FY 2020-21
Gross sales	**13,063.32**	8499.75	**9,062.40**	6007.96
Add : Other income	**40.50**	35.94	**35.02**	44.11
Total revenue	**13,103.82**	8535.69	**9,097.42**	6052.07
Profit before Depreciation, Finance Costs and Tax Expense	**985.76**	714.65	**493.44**	328.07
Less : Depreciation and amortisation	**108.97**	102.77	**71.14**	68.18
Less : Finance cost	**44.47**	66.09	**37.21**	54.89
Profit before tax (PBT)	**832.32**	545.79	**385.08**	205.01
Less : Tax expense	**213.34**	138.09	**97.95**	51.23
Profit after tax for the year (PAT)	**618.98**	407.70	**287.13**	153.78

The Company's consolidated gross turnover in financial year 2021-22 increased significantly by 53.69 % from ₹8499.75 crores to ₹13063.32 crores. The EBIDTA has been increased by 37.94 % from ₹714.65 crores to ₹985.76 crores for the year under review. The net profit of the Company has also increased by 51.82 % from ₹407.70 crores to ₹618.98 crores during the year under review.

DIVIDEND

The Board of Directors of the Company is pleased to recommend a dividend @175% (₹3.5 per share) as final dividend on the equity shares for the year 2021-22 subject to declaration of the same by the members at the ensuing annual general meeting. The payment of dividend will be subject to deduction of applicable taxes and shall be paid for the full year on the shares held as on the record date irrespective of the date of issue of the shares during the year.

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has Dividend Distribution policy. During the year, there have been no changes to the policy. Hence, the same is not annexed to this report, as the same is available on our website at : https://aplapollo.com/policies/#policies

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account. Accordingly, the Company has not transferred any amount to the 'Reserves' for the year ended March 31, 2022.

OVERVIEW

The Financial Year 2021-22 was a year when the Indian economy reported a sharp turnaround in fortunes as the GDP grew by 8.7% (against a contraction of 6.6% in FY21). Notwithstanding the more intense second wave of Covid-19, resilient India and Indians worked untiringly to strengthen the momentum of the economy's wheels. The sharp recovery of the industrial and services segments resulted in an appreciable spike in Government revenue. Further, exports touched a new pinnacle even as imports continued to climb. As a result, India's fiscal deficit remained reigned in below the budgeted number. Favourable government policies and an accommodative fiscal environment buoyed investments by the private sector. This ushered in robust demand for steel and steel products. APL Apollo being the dominant player in the structural steel products space was able to capitalise on the resurgence to report its best performance in its business journey this far.

BUSINESS PERFORMANCE

The Company continued to up its performance as it breached all previous performance records. Sales volumes increased by 7% as demand for the product gained traction. More importantly, the share of value-added products increased appreciably over the previous year. Revenue from operations grew by 53.69% from ₹8,499.75 crores in FY21 to ₹13,063.62 crores in FY22 and EBITDA improved from ₹714.65 crores to ₹985.76 crores over the same period.

From a business perspective, it was a satisfying year as the Company successfully implemented important initiatives that hold the promise to catapult its growth into a new orbit. The most important among them is the launch of the tubular technology for constructing high-rise buildings. The Company received the contract for supplying its high-strength columns for creating the super structure for six large multi-speciality medical building in India. The other pathbreaking initiative was the launch of the Aalishaan App which is a B-2-C tech connect that will enable the Company to come closer to the ultimate consumer. This App has received an overwhelming response from the masses and promises to be a game-changer for the Company over the medium term.

APL Apollo continued to invest in its Raipur facility, the jewel in its crown, which will manufacture pioneering products that will significantly widen the market size and strengthen its dominance in the structural tube business space. While trial production of Apollo Columns commenced during the year under review, the first phase of this project is expected to commence in the current year.

POSSIBILITIES AND PROSPECTS

The Government is focused on positioning India as a global manufacturing hub. Towards this end, it is ardently focused on developing world-class infrastructure and announcing policies that would spur the private sector to make fresh investments. These realities promise to open interesting growth opportunities for the Company's products.

The commissioning of the Raipur unit (initial phase) should help the Company in strengthening its presence in the market in the eastern part of India. The Company is also planning to make strategic investments towards exploring its manufacturing footprint beyond the Indian shores. It is also investing in new technologies which should considerably optimise operating costs.

These investments will increase sales volumes and optimise cost of operations – it would make the overall business more profitable and sustainable.

PROJECT AND EXPANSION PLANS

The company targets to increase its installed capacity to 4 million ton by FY23 from 2.6 million ton last year. The entire planned new capacity at Raipur of 1.5 million ton is in value added category. In addition, the management has identified two new product lines 1) 500x500 mm sq diameter tubes under heavy structural tubes segment and, 2) color coated tubes under home décor segment both of which will be launched in India for the first time in line with company's strategy to create new market for structural steel tubes in the long term. The project is being implemented in new greenfield Raipur facility in the state of Chhattisgarh. The total capex for the New Raipur project is around ₹800 crores, which is planned to be funded through a combination of internal accruals and external borrowings.

INTERNAL FINANCIAL CONTROL

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

Based on annual Internal Audit programme as approved by Audit Committee of the Board, regular internal audits are conducted covering all offices, factories and key areas of the business. The findings of the internal auditors are placed before Audit Committee, which reviews and discusses the actions taken with the management. The Audit Committee also reviews the effectiveness of company's internal controls and regularly monitors implementation of audit recommendations.

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

ANNUAL RETURN

In accordance with the provisions of Section 134 (3)(a) of the Companies Act, 2013, the Annual Return, as required under Section 92 of the Act for the financial year 2021-22, is available on the Company's website at https://aplapollo.com/financial/#AplApollo

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES

The Company had six wholly-owned subsidiaries as on March 31, 2022, namely Shri Lakshmi Metal Udyog Limited (SLMUL), Apollo Metalex Private Limited (AMPL), Blue Ocean Projects Private Limited, APL Apollo Building Products Private Limited, APL Apollo Mart Limited and APL Apollo Tubes FZE. Further the Company has one step down subsidiary named Apollo Tricoat Tubes Limited (ATTL), subsidiary of SLMUL.

A report on the performance and financial position of each of the subsidiaries in form AOC-1 is annexed hereto as Annexure 'A' and forms part of this report.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements and related information of the subsidiaries, where applicable, will be available for inspection during regular business hours at the company's corporate office at 36, Kaushambi, Near Anand Vihar Terminal, Uttar Pradesh -201010 and the same are also available at our website i.e. www.aplapollo.com.

In March 2022, the company through its newly incorporated subsidiary named APL Apollo Mart Limited had bought 10,00,000 equity shares of ₹10 each (4.38% of the total paid up capital) of Shankara Building Products Limited (Shankara) at a price of ₹755 per share. Further, Shankara has approved issuance of 14,00,000 convertible warrants at a price of ₹750/- per warrant (5.77% of fully diluted capital upon conversion) to APL Apollo Mart Limited. Accordingly, upon the issue of warrants as above, the total holding of APL Apollo Mart in Shankara, on a fully diluted basis, will be 9.90%.

Subsequent to the close of the financial year, the company jointly with 5 of its subsidiaries and group companies has promoted a Section 8 Company named APL Apollo Foundation for undertaking CSR activities for and on behalf of the promoter companies.

The Company has no associates or joint ventures.

DEPOSITS

Your Company neither accepted nor renewed and/or was not having any outstanding public deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the year under report.

SHARE CAPITAL

As on March 31, 2022 the authorized capital of the Company stood increased from ₹45 crore to ₹75 crore divided into 37,50,00,000 equity shares of ₹2 each, pursuant to the approval granted by the members on September 9, 2021.

During the financial year under review, the Company allotted 4,88,500 equity shares of ₹10 each at a price of ₹143.855 (including premium of ₹133.855), pursuant to APL Apollo Employees Stock Option Scheme (ESOS-2015) to eligible employees of the Company and of its subsidiaries.

During the financial year under review, the Company (on September 20, 2021) allotted 12,48,96,000 equity shares of face value of ₹2/- each as fully-paid up bonus equity shares, in the ratio of One equity share of ₹2/- each for every One existing equity share of ₹2/- each.

Pursuant to abovesaid allotments of Equity shares, the paid up capital of the Company stands increased from ₹24.98 Cr to ₹50.06Cr comprising of 25,02,80,500 equity shares of ₹2 each.

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

BORROWINGS

Commercial Papers

The Company has received the credit ratings from credit rating agencies – ICRA and CRISL as under –

a. 'ICRA A1+' assigned to ₹300 crore Commercial Paper programme of the Company.

b. 'CRISIL A1+' assigned to ₹500 crore Commercial Paper Programme of the Company.

During the year the Company has issued Commercial papers ("CP") for the purpose of raising short term funds in nature ranging between one to three months. Further, as on March 31, 2022, no CP was outstanding.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of Articles of Association of the Company, Shri Vinay Gupta will retire at the ensuing Annual General Meeting (AGM) and being eligible, offer himself for reappointment.

The shareholders in its meeting held on July 23, 2021 had granted approval the continuation of appointment of Shri Virendra Singh Jain beyond July 24, 2021 (on attaining 75 years of age) till January 27, 2022 and also for fresh appointment for the second term from January 28, 2022 to September 30, 2024 pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the applicable provisions of companies Act, 2013.

During the year under review, (i) Shri Ameet Gupta was appointed as Non-Executive Independent Director of the Company w.e.f. 6th August, 2021 for a period of five consecutive years (ii) Shri Rahul Gupta was appointed as Non-Executive Director of the Company w.e.f. 6th August, 2021.

The requisite resolutions for both the appointments were approved by the Shareholders through postal ballot on September 9, 2021.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as provided in Section 149(6) read with schedule IV of the Companies Act, 2013 and also Regulation 16(I)(b) of the Listing Regulations.

PARTICULARS OF REMUNERATION

Disclosure of ratio of the remuneration of the Executive Director to the median remuneration of the employees of the Company and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as Annexure 'B'. Further, particulars of employees pursuant to Rule 5(2) & 5(3) of the above Rules form part of this report. However, in terms of provisions of section 136 of the said Act, the report and accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is available for inspection at the registered office of the Company during working days of the Company up to the date of the ensuing annual general meeting.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

In terms of provisions of the Companies Act, 2013, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Gurugram, (FRN117366W/W-100018), had been appointed as Statutory Auditors of the Company in the 35th Annual General Meeting held on September 29, 2020 to hold the office from the conclusion of the said Annual General Meeting until the conclusion of the 40th Annual General Meeting to be held in year 2025.

The reports the Auditors on the standalone and consolidated financial statements for the FY 2021-22 do not contain any qualification, reservation or adverse remark requiring any explanation on the part of the Board. The observations given therein read with the relevant notes are self-explanatory.

There are no frauds reported by the Auditors under section 143(12) of the Act.

B. Cost Auditors

In terms of Section 148 of the Act, the Company is required to get the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company in its meeting held on May 13, 2022 had, on the recommendation of the Audit Committee, approved the appointment of M/s R.J. Goel & Co., Cost Accountants (FRN: 000026) as the cost auditors of the Company for the year ending March 31, 2023.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution will form part of the Notice convening the AGM. The approval of the members is sought for the proposed remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2023. M/s R.J. Goel & Co., have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years. The Cost Audit Report of the Company for the Financial Year ended March 31, 2022 will be filed with the MCA after its noting by the Board. The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors had appointed M/s Parikh & Associates, Company Secretaries in practice as Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2021-22. The report given by them for the said financial year in the prescribed format is annexed to this report as Annexure 'C'. The Secretarial Audit Report is self- explanatory and does not contain any qualification, reservation or adverse remark. Further, the Board has appointed the said firm for conducting the secretarial audit for the financial year 2022-23 also.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2022, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Companies Act, 2013 read with Regulation 23 of SEBI (LODR), 2015.

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

Your Directors draw attention of the members to Note No. 40 to the Standalone Financial Statement which sets out related party disclosures.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company, under the APL Apollo Employee Stock Option Scheme- 2015 ("ESOS-2015), approved by the shareholders vide postal ballot resolutions on July 27, 2015 and December 22, 2015, grants share-based benefits to eligible employees of the Company and employees of subsidiaries with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company. The total number of equity shares to be allotted pursuant to the exercise of the stock incentives under the ESOS-2015 to the employees of the Company and its subsidiaries shall not exceed 7,50,000 equity shares. The following disclosures are being made under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the said disclosure is also available on the website of the Company at www.aplapollo.com:

S. No.	Particulars (During the financial year ended March 31, 2022)	APL Apollo ESOS-2015
1	Options granted	Nil
2	Options vested;	4,67,500
3	Options exercised	4,88,500
4	Total number of shares arising as a result of exercise of option	4,88,500
5	Options lapsed	Nil
6	Exercise price	The Exercise price of the shares will be the Market Price of the shares one day before the date of grant of options. Suitable discount will be provided on that price, as deemed fit by the Nomination & Remuneration Committee ("committee"). Further, the Committee has power to reprice the grants in future if the price of the company falls continuously for a period of 3 months.

S. No.	Particulars (During the financial year ended March 31, 2022)	APL Apollo ESOS-2015
7	Variation of terms of options	The Shares issued pursuant to the exercise of an Option will not be subject to any lock-in period
8	Money realized by exercise of options (₹)	7,02,73,167.50
9	Total number of options in force	3,87,500
10	Employee wise details of options granted to;-	
	(i) Key managerial personnel;	
	(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Nil
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	

The Certificate from the Secretarial Auditors of the Company certifying that the ESOS 2015 is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution passed by the Members, would be placed at the Annual General Meeting for inspection by Members.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 sub-section 3(c) and sub-section 5 of the Companies Act, 2013, your Directors to the best of their knowledge hereby state and confirm that:

a. In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanations relating to material departures.

b. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at March 31, 2022 and of the Company's profit for the year ended on that date.

c. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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

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

f. Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In line with the provisions of Section 135, Schedule VII of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) policy for development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by Corporate Social Responsibility Committee (CSR Committee) and the Board of Directors of the Company. The Corporate Social Responsibility (CSR) policy of the Company provides a road map for its CSR activities.

During the year under review, the Company has made contribution of ₹3.07 Cr for various CSR purposes in compliance to the provisions of Companies Act, 2013 relating to Corporate Social Responsibility.

The Annual Report on CSR activities is annexed herewith as Annexure 'D'. The CSR Policy has been uploaded on the Company's website and may be accessed at the link: https://aplapollo.com/policies/#policies

SCHEME OF AMALGAMATION AND ARRANGEMENT

As the members are aware of, the Board of Directors of Company at its meeting held on February 27, 2021, had approved a scheme of amalgamation of Shri Lakshmi Metal Udyog Limited and Apollo Tricoat Tubes Limited with the Company and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. Subsequently BSE Limited and National Stock Exchange of India Limited had given their NOC to the Scheme.

Further, the shareholders, the secured creditors and the unsecured creditors of Company, at their separate meetings held on February 8, 2022, had approved the said scheme of amalgamation. Similar approvals have been received by the transferor companies also. The Scheme is now subject to sanction of the Hon'ble NCLT, Delhi. NCLT has fixed May 27, 2022 as the final date of hearing for considering the sanctioning of the Scheme. The Scheme related details are available on the website of the Company at https://aplapollo.com/announcements/#Mergers.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of Section 186 of the Companies Act, 2013 and rules framed thereunder, details of Loans, Guarantees given and Investments made have been disclosed in the Notes to the financial statements for the year ended March 31, 2022.

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

Information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of Companies Act, 2013 read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, is furnished as Annexure 'E', forming part of this Report.

CORPORATE GOVERNANCE

Your company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report is annexed to this report (Annexure 'F').

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

a) Particulars of the Board Meetings held during the financial year under review.

b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.

c) The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.

e) Details regarding Risk Management.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

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

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

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

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

OTHER DISCLOSURES AND REPORTING

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

1. Change in the nature of business of the Company.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Any remuneration or commission received by Managing Director of the Company, from any of its subsidiary.
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this report.
5. Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and company's operations in future.
6. Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government
7. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.
8. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

APPRECIATION

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

For and on behalf of Board of Directors
Sd/-

Sanjay Gupta
Chairman & Managing Director
(DIN: 00233188)

Place: Ghaziabad
Date: May 13, 2022

Annexure 'A'

Form No. AOC-1

(Pursuant to sub-section (3) of section 129 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014

Part "A": Subsidiaries

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY:

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as per Section 129(3) of Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014

(₹in crore)

S. No.	Name of Subsidiary	Apollo Metalex Private Limited	Shri Lakshmi Metal Udyog Limited	Blue Ocean Projects Private Limited	Apollo Tricoat Tubes Limited	APL Apollo Building Products Private Limited	APL Apollo Mart Limited
1	Share Capital	2.71	5.90	0.02	12.16	260.00	0.10
2	Other Equity	463.74	278.06	32.94	431.84	-3.44	76.95
3	Total Assets	545.71	341.51	33.50	707.28	749.79	78.81
4	Total Liabilities	545.71	341.51	33.50	707.28	749.79	78.81
5	Investments	2.24	5.00	-	1.36	-	78.71
6	Turnover	2,366.44	1,081.09	-	2,732.11	24.18	-
7	Profit Before Taxation	178.90	91.32	0.13	187.01	-1.44	-1.76
8	Provision of Taxation	45.63	23.26	-	47.36	0.13	-0.35
9	Profit After Taxation	133.27	68.06	0.13	139.65	-1.57	-1.41
10	Proposed Dividend	-	-	-	-	-	-
11	% of Shareholding	100%	100%	100%	55.82%	100%	100%

S. No.	Name of Subsidiary	APL Apollo Tubes FZE (₹in crore)
1	Share Capital	2.07
2	Other Equity	-
3	Total Assets	2.07
4	Total Liabilities	2.07
5	Investments	-
6	Turnover	21.08
7	Profit Before Taxation	(0.05)
8	Provision of Taxation	-
9	Profit After Taxation	(0.05)
10	Proposed Dividend	-
11	% of Shareholding	100%

Note:

1. Name of subsidiaries which are yet to commence operations: Blue Ocean Projects Private Limited., APL Apollo Mart Limited and APL Apollo Tubes FZE.
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not Applicable, since the Company does not have any associates and Joint Ventures.

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

Sd/-
SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

Sd/-
ROMI SEHGAL
Director
DIN : 03320454

Sd/-
VINAY GUPTA
Director
DIN : 00005149

Sd/-
DEEPAK GOYAL
Chief Financial Officer

Sd/-
DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place: Ghaziabad
Date: May 13, 2022

Annexure 'B'

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

(1) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22: The ratio of the remuneration of Shri Sanjay Gupta, Chairman and Managing Director to the median remuneration of the employees of the Company is 109:1. Sitting Fees paid to the Directors has not been considered as remuneration.

(2) The percentage increase in remuneration of each director, chief financial officer, company secretary during the financial year 2021-22: Shri Sanjay Gupta, Chairman - Nil, Shri Deepak Kumar, Chief Financial Office - 11%, Shri Deepak C S, Company Secretary - 15%.

(3) The percentage increase in the median remuneration of employees for the financial year 2021-22 is 16%

(4) The number of permanent employees on the rolls of the company as on March 31, 2022 is 1195.

(5) The average increase in the managerial remuneration for the FY 2021-22 is 13% and the average increase in the salary of employees other than managerial personnel for the FY 2021-22 is 9.26%. Managerial Personnel includes Chairman and Managing Director, Chief Financial Officer and Company Secretary.

(6) We affirm that the remuneration paid in the financial year 2021-22 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Chairman and Managing Director

(DIN: 00233188)

Place: Ghaziabad

Date: May 13, 2022

ANNEXURE C”

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

APL Apollo Tubes Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by APL Apollo Tubes Limited (hereinafter called ‘the Company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;(Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws specifically applicable to the Company namely

(a) Indian Explosives Act, 1884

(b) Environment (Protection) Act, 1986

(c) The Water (Prevention & Control of Pollution) Act, 1974

(d) Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013

(e) Air (Prevention & Control Pollution) Act, 1981

(f) Industrial Employment (Standing Orders) Act, 1946

(g) Industries (Development & Regulation) Act, 1951

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We report that the Company has an unspent amount of ₹ 0.25 Lacs towards Corporate Social Responsibility ("CSR") during the year pertaining to ongoing projects and has been transferred to the unspent CSR account of the Company on 28.04.2022.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a) During the financial year under review, the Company (on September 20, 2021) allotted 12,48,96,000 equity shares of face value of ₹2/- each as fully-paid up bonus equity shares, in the ratio of One equity share of ₹2/- each for every One existing equity share of ₹2/- each.

b) Commercial papers amounting to ₹ 700 Crores were issued during the year and the same were redeemed on the maturity date.

c) The Company had allotted 4,88,500 equity shares on ESOP basis pursuant to the APL Apollo Employees Stock Option Scheme-2015.

d) The Board of Directors of Company at its meeting held on February 27, 2021, had approved a scheme of amalgamation of Shri Lakshmi Metal Udyog Limited and Apollo Tricoat Tubes Limited with the Company and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. Subsequently BSE Limited and National Stock Exchange of India Limited had given their NOC to the Scheme. Further, the shareholders, the secured creditors and the unsecured creditors of Company, at their separate meetings held on February 8, 2022, had approved the said scheme of amalgamation. Similar approvals have been received by the transferor companies also. The Scheme is now subject to sanction of the Hon'ble NCLT, Delhi.

For Parikh & Associates
Company Secretaries
Sd/-

Sarvari Shah
Partner
FCS No: 9697 CP No:11717
UDIN: F009697D000315629
PR No.: 1129/2021

Place: Mumbai
Date: May 13, 2022

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

'Annexure A'

To,

The Members,

APL Apollo Tubes Limited

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

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

For Parikh & Associates
Company Secretaries
Sd/-

Sarvari Shah
Partner
FCS No: 9697 CP No:11717
UDIN: F009697D000315629
PR No.: 1129/2021

Place: Mumbai
Date: May 13, 2022

Annexure 'D'

ANNUAL REPORT ON THE CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company

The Board of Directors' at its meeting held on 18th February, 2015 approved the CSR Policy of your company pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Anil Kumar Bansal	Chairman (Independent Director)	2	2
2	Shri Virendra Singh Jain	Member (Independent Director)	2	2
3	Shri Ashok Gupta	Member (Non-executive Director)	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** https://aplapollo.com/policies/#policies.

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not Applicable

6. **Average net profit of the company as per section 135(5):**

   The average Net Profit of three financial years preceding the reporting financial year (i.e. 2020-21, 2019-20 and 2018-19) calculated in accordance with Section 135 of the Companies Act, 2013 is ₹153.45 Crores

7. **(a) Two percent of average net profit of the company as per section 135(5) :** ₹3.07 Crores

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

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

   (d) Total CSR obligation for the financial year (7a+7b- 7c): ₹3.07 Crores

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

Amount Unspent (in ₹ Crores)

Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2.82	0.25	28.04.2022	NIL	-	-

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

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project. State.	Location of the project. District.	Project duration.	Amount allocated for the project (in ₹ Crores)	Amount spent in the current financial Year (in ₹ Crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Crores)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation – Through Implementing Agency Name	Mode of Implementation – Through Implementing Agency CSR Registration number
1	'Museum of Solutions' (MuSo)*	(i)	Yes	Mahrashtra	Mumbai	3 years	0.8	0.6	0.2	No	JSW Foundation, Mumbai	CSR00003978
2	**Plaksha	(ii)	Yes	Punjab	Mohali	4 years	0.55	0.5	0.05	No	Reimagining Higher Education Foundation	CSR00002211
	Total						**1.35**	**1.1**	**0.25**			

* The Company has entered into an agreement with with JSW Foundation, Mumbai for making contributions for the construction of 'Museum of Solutions' (MuSo) to be opened by them in Mumbai which is a world class educational landscape with a building having over 60000 sqft area spread over 8 storeys. The MuSo has been conceptualized based on the UN Sustainable Development Goals and the new National Education Policy with an aim to cultivate the knowledge, skills, and actions kids need to solve the challenges they see around them and make progress based on creative thinking, interactive learning ad innovative problem solving skills. The project will be covered under CSR as part of 'promoting education, including special education and employment enhancing vocation skills' as per Clause (ii) of Schedule VII .

**The Company has entered into an agreement with Reimagining Higher Education Foundation (RHEF) which is the Sponsoring Body of Plaksha University, Mohali. Plaksha is a collective philanthropic effort to re-imagine engineering and technology education in India and the world. The University is founded by over 60 business leaders, entrepreneurs and organizations across the world. Plaksha has a 50 acre tech enabled campus at Mohali offering B.Tech, Technology Leaders Program, Young Scholars Program ,PhD etc. The Company, alongwith its subsidiaries, proposes contribute a total sum of ₹5.00 crore (Rupees five crores only) for the construction and infrastructure development at Plaksha campus (a 6000 sq ft centre to be named as APL Apollo Student Activity Centre) AND offer scholarships for undergraduate studies at Plaksha University for 5 students every year for a period of 4 years for an aggregate amount of ₹1.85 crore.

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project State	(5) Location of the project District	(6) Amount spent for the project (in ₹ Crores)	(7) Mode of implementation Direct (Yes/No).	(8) Mode of implementation – Through implementing agency Name	(8) Mode of implementation – Through implementing agency CSR registration number
1	To support 30 Ekal Vidyalayas across the State of UP	(ii)	Yes	Uttar Pradesh	Bareilly	0.34	No	Bharat Lok Shiksha Parishad –Trust, since 2012	CSR00000667
2	To fight COVID-19 relief response for the needy	(i)	Yes	Delhi	Delhi	0.03	No	World Hope Foundation - Trust, since 2013	CSR00017425
3	To fight COVID-19 relief response for the needy	(i)	Yes	Chattisgarh	Raipur	0.002	Yes	AKS Medical and Research	NA
4	Project Ikshana - Covid mobile Field Hospitals	(i)	Yes	Delhi	Delhi	0.05	No	Humanitarian Welfare and Research Foundation - Trust (since 2011)	CSR00007199

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project		(6) Amount spent for the project (in ₹ Crores)	(7) Mode of implemenation Direct (Yes/No).	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
5	To provide utensils in connection with "Samoohik Vivah"	(iii)	Yes	Chattisgarh	Raipur	0.005	Yes	Shri Ganesh Steels	NA
6	Providing food to needy, running schools for undeprivileged, animal welfare	(iv)	Yes	Delhi	Delhi	0.5	No	Dhyan Foundation - Trust (since 2007)	CSR00003498
7	Amount used for construction of provision of food for the inmates in the shelter home for one month	(iii)	Yes	Haryana	Guru-gram	0.1	No	The Earth Saviours Foun-dation, Gurugram – Regd. Society (Since 2008)	CSR00002026
8	To help rehabilitation of refugees and helping deprived people earn livelihood	(xii)	Yes	Delhi	Delhi	0.05	No	Humanitarian Aid Internation-al - Trust (Since 2016)	CSR00000222
9	To set up oxygen plant	(i)	Yes	Uttar Pradesh	Buland-hahar	0.12	Yes	CMS, Community Health Centre, Bulandshahar (Direct spending)	NA
10	To provide oxygen cylinders for children in shelter home	(i)	Yes	Delhi	Delhi	0.02	No	Helpcare Society - Trust (since 1990)	CSR00008265
11	For upgradation and replacement of the equipments at their Charitable Eye Hospital – Praukhswami Eye Hospital, Mumbai	(i)	Yes	Maharashtra	Mumbai	0.21	No	Bochasanwasi Shri Aksharpu-rushottam Public Charitable Trust - Trust (since 1973)	CSR00004193
12	For rural development programee - Chinmaya Organisatin For Rural Development	(x)	Yes	Delhi	Delhi	0.1	No	Delhi Chinmaya Sewa Trust - Trust (Since 1987)	CSR00001913
13	For setting up labour/medical room at Sewa Bharati Lala Deep Chand Memorial Hospital	(i)	Yes	Delhi	Delhi	0.05	No	Sewa Bharti, Delhi - Regd. Society (Since 1979)	CSR00003477
14	For building medical university in Jhajjar, Haryana	(i)	Yes	Haryana	Jhajjar	0.1	No	Maharaja Agrasen Hospital Charitable Trust (1980)	CSR00001343
15	To provide winter clothes and stationery for education of underprivileged children	(i)	Yes	Delhi	Delhi	0.01	No	Helpcare Society - Trust (since 1990)	CSR00008265

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project		(6) Amount spent for the project (in ₹ Crores)	(7) Mode of implemenation Direct (Yes/No).	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
16	For promotion education including special education and skill enhancement	(i)	Yes	Maharashtra	Mumbai	0.6	No	JSW Foundation (since 1998) - Trust	CSR00003978
17	For promotion education including special education and skill enhancement	(i)	Yes	Punjab	Mohali	0.5	No	Reimagining Higher Education Foundation	CSR00002211
	TOTAL					**2.82**			

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

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

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹3.07 Crores

(g) **Excess amount for set off, if any**

Sl. No.	Particular	Amount (in ₹ crores)
(i)	Two percent of average net profit of the company as per section 135(5)	3.07
(ii)	Total amount spent for the Financial Year**	3.07
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

Note: ** Includes an amount of ₹ 25 Lacs earmarked for ongoing projects transferred to Unspent CSR Account in terms of Section 135(6) of the Companies Act, 2013, for the Financial Year 2021-22.

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

Sanjay Gupta
Chairman & Managing Director
(DIN: 00233188)

Anil Kumar Bansal
Chairman CSR Committee
(DIN: 06752578)

Place: Ghaziabad
Date: May 13, 2022

Annexure 'E'

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

(a) I. CONSERVATION OF ENERGY.

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

(a) To know the energy utilisation, the Company has installed the meters on each machine at every mills, to record the energy requirement, basis of which company has analyzed, through the use of various equipments, the percentage of wastage of electricity by the machines and whether to replace or using them in any other manner.

(b) During the year the Company has made investment of ₹1,26 Crores in AMP SOLAR for purchase of 4.5 MW solar power at Unit-1 (Sikandarabad) Plant and the same will be commissioned during the FY 22-23.

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

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

(d) The capital investment on energy conservation equipments: The capital investment on energy conservation for purchase of 1.26 MW solar power from AMP SOLAR at Unit-1 (Sikandarabad) Plant was ₹1.26 crore.

II. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption: The Company has made continuous efforts towards technology absorption by commissioning Direct Forming Technology (DFT) Mills at almost all the plants, where we can produce 80x80 mm to 200x200 mm sections (thickness upto 10mm) based on DFT technology.

(ii) The Benefits Derived as a result of above efforts: Installation of these mills have helped the Company in reducing manpower, increasing productivity and reducing inventory as envisaged at the time of placing order in these mills.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in crores)

Particulars	FY 2021-22
Foreign exchange earnings	385.67
Foreign exchange outgo	61.74

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Chairman and Managing Director

(DIN: 00233188)

Place: Ghaziabad

Date: May 13, 2022

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L74899DL1986PLC023443
2	Name of the Company	APL Apollo Tubes Limited
3	Registered address	37, Hargobind Enclave, Vikas Marg, Delhi-110092
4	Website	www.aplapollo.com
5	E-mail id	comsec@aplapollo.com
6	Financial year reported	1st April 2021 to 31st March 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing Group - 24311 Description - Manufacture of Tubes, Pipes and Hollow profiles. As per National Industrial Classification - Ministry of Statistics and Programme Implementation.
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	i. Black Hollow Section and Round Pipe ii. Galvanized Pipe iii. Pre Galvanized Pipe
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of international locations	In Dubai, APL Apollo Tubes Ltd. has one wholly owned subsidiary
	(b) Number of national locations	In India, APL Apollo Tubes Limited has eleven main operational manufacturing locations (including of its subsidiaries)
10	Markets served by the Company – Local/ State/National/International	India (800 distributors and warehouses cum-branch offices in over 20 cities) and 30 countries outside India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital	₹50.06 Crore
2	Total turnover	₹13063.32 Crore
3	Total profit after taxes	₹618.98 Crore
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹3.07 Crore, being 2% of of the average net profits of the company made during the three immediately preceding financial years.
5	List of activities in which expenditure in 4 above has been incurred:-	The major activities in which the above CSR expenditure has been incurred includes: • Health Care • Education • Livelihood enhancement • Empowering women, measures for reducing inequalities • Disaster management, rehabilitation

SECTION C: OTHER DETAILS

S. No.	Description	Information
1	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has seven subsidiaries namely; Shri Lakshmi Metal Udyog Limited, Apollo Metalex Private Limited and Blue Ocean Projects Private Limited APL Apollo Building Products Private Limited APL Apollo Tubes FZE Apollo Tricoat Tubes Limited APL Apollo Mart Limited
2	Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Apollo Tricoat Tubes Limited participate in the BR Initiatives of the Company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	No, the entities that the Company does business with, do not participate in the BR Initiatives of the Company

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

1	Name	Shri Sanjay Gupta
2	Designation	Chairman and Managing Director
3	DIN	00233188

(b) Details of the BR head

1	Name	Shri Deepak Goyal
2	Designation	Chief Financial Officer
3	Telephone number	0120-4041424
4	e-mail id	deepakgoyal@aplapollo.com

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

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

S. No.	Questions	P1	P2	P 3	P 4	P 5	P 6	P7	P 8	P 9
1	Do you have a policy/ policies for.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Most of the policies are aligned to various standards like: ISO18001(Quality Management System), ISO 14001 (Environment Management System), OHSAS 18001 (Occupational Health & Safety Management System)								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?*	Y	Y	Y	Y	Y	Y	Y	Y	Y

S. No.	Questions	P1	P2	P 3	P 4	P 5	P 6	P7	P 8	P 9
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Apart from the Statutory policies, which are available on the website of the Company, other policies are available on the APL's intranet and can be accessed by Company employees.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent evaluation of the audit/ working of this policy by an internal or external agency?	Yes, the Independent Agency's evaluation work is ongoing.								

* These Policies have been signed by MD

3. Governance related to BR

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	The Company believes in upholding the values of transparency, accountability and good governance. Apart from the Business Responsibility Policy, the Company has 'Corporate Ethics and Code of Conduct' (inter alia covering Anti-Bribery and Anti-Corruption Directives) and an effective vigil mechanism and Whistle Blower Policy. 'The Corporate Ethics and Code of Conduct' covers the Directors and Employees of the Company. The Company also encourages its Suppliers / Contractors / NGO's / Others to practice the same in a fair manner.
2	How many stakeholder complaints have been received in the past financial year? What percentage was satisfactorily resolved by the management?	Five shareholders' complaints were received and all were promptly resolved to their satisfaction during the Financial Year 2021-22.

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

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

Principle 3: Businesses should promote the wellbeing of all employees

1	Please indicate the total number of employees.	2031
2	Please indicate the total number of employees hired on temporary/ contractual/casual basis.	836
3	Please indicate the Number of permanent women employees.	12
4	Please indicate the Number of permanent employees with disabilities	NIL
5	Do you have an employee association that is recognized by management?	Presently, the Company has two employee association at Hyderabad & Murbad Plants.
6	What percentage of your permanent employees is members of this recognized employee association?	10%

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

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

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

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

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

1	Has the Company mapped its internal and external stakeholders?	Yes, the company has identified key stakeholder groups and mapped its internal and external stakeholders.
2	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders.	Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders viz. village communities in the vicinity of the manufacturing plants and the contractual workers.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.	The Company proactively engages with and responds to those sections in the society that are disadvantaged, vulnerable and marginalized. The Company, as part of its CSR intiatives, either directly or through NGOs operating in the vicinity of operations take care of the needs of the vulnerable and the disadvantaged.

Principle 5: Businesses should respect and promote human rights

1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company is in the process of laying down a separate Human Rights policy; notwithstanding the same, the Business Responsibility policy covers the various aspects related to protection of human rights. The Company appreciates that human rights are inherent, universal, indivisible and interdependent in nature. The Company, within its sphere of influence, promotes the awareness and realization of human rights across its value chain. The Company strongly prohibits the employment of child, forced or compulsory labour in all of its operations.
2	How many stakeholder complaints have been received in the past financial year. What percent was satisfactorily resolved by the management?	In the reporting period, no violations or complaints surfaced and no areas were discovered where any of our operations or suppliers might be found to have significant risk of child labour or forced or compulsory labour.

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

1	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors /NGOs/others.	The Company is committed to improving health and safety of the society and protection of the environment, and the policy applies to the entire Company and doesn't extend to other entities. APL Apollo Tubes Limited also encourages its subsidiaries, vendors and dealers to take health, safety and environment friendly measures for better future.
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?If yes, please give hyperlink for webpage etc.	The Company is contributing towards addressing global environmental issues by complying with ISO Certification i.e., ISO 9001, ISO 14001 & OHSAS 18001 under the Integrated Management System, in each and every process of the Company.
3	Does the Company identify and assess potential environmental risks?	The Company has an elaborate risk management system to inform Board Members about risk assessment and minimization procedures. The Risk Management Committee meets on regular basis and evaluates the efficacy of the framework relating to risk identification and its mitigation laid down by the Committee. Moreover, the Company uses environmental impact assessments, recognized environmental management standards, ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and OHSAS 18001 (Occupational Health & Safety Management System) to sharpen its focus towards achieving sustainability goals.
4	Does the Company have any project related to Clean Development Mechanism?	None at present.
5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.	Yes, The Company has installed 3 rooftop solar panel units of 2.6 MW, 1.1MW and 1.3 MW at our Unit-IV (Raipur) and Unit-I (Sikandarabad) and Unit-IIII (Murbad) Plant respectively. The Company has undertaken rain water harvesting at its various plants. It is expected that all the units will have rain water harvesting facilities by the year 2025. In many units zero liquid discharge (ZLD) units have been installed and the Company targets to install the same in all the units by the year 2025. In the longer term, the Company aims to reduce CO2 emissions and also maintain SOx, NOx and PM within permissible limits and generate energy at a lower cost at its factories in India. This, is in-sync with the Company's approach towards building a sustainable ecosystem through efficient energy consumption and optimum utilization of natural resources such as solar power and wind energy. Furthermore, this project will also enable significant savings on operating costs for the Company such as lower energy loss, reduced maintenance costs and electricity bills.
6	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, all of the Company's emissions/waste generated during the reporting period were within the regulatory defined limits.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.	This is to confirm that no show cause/legal notices were received from the Pollution Control Boards (PCB) during the financial year under review and nothing is pending at the end of the financial year.

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

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	The Company is a member of various trade associations and chambers of commerce. Some of these associations include: -Confederation of Indian Industry (CII)- Federation of Indian Export Organisations (FIEO)
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas.	The Company has been extensively using platforms of the above Trade Association/Chambers and has been taking advocacy positions from time to time in the areas of Corporate Legal Reforms, Economic Reforms, Social Security, Water Conservation, Sustainable Business Principles, etc..

Principle 8: Businesses should support inclusive growth and equitable development

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

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

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

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Chairman and Managing Director

(DIN: 00233188)

Place: Ghaziabad

Date: May 13, 2022

Corporate
Governance Report

Annexure 'F'

1. Company's Governance Philosophy:

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

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

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

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

2.1 Board of Directors:

As on March 31, 2022, the Board of Directors comprised 10 (Ten) directors of which 2 (two) are Executive Directors and 8 (eight) are Non-executive Directors. Out of 8 (eight) Non-executive Directors, 5 (five) are Independent Directors. Details are as given hereunder:

Name of Director	Category	No. of Board Meetings attended during FY 2021-22	Attendance in last AGM held on 23 July, 2021	No. of shares held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorships $	Other Member-Ships**	Other Chairmanships **
Shri Sanjay Gupta (DIN: 00233188)	CMD	6	No	3,50,000	6	-	-
Shri Ashok Kumar Gupta (DIN: 01722395)	NED	6	Yes	-	2	2	-
Shri Vinay Gupta (DIN: 00005149)	NED	6	No	-	6	-	-
@Shri Abhilash Lal (DIN: 03203177)	ID	5	Yes	-	2	2	-
@Shri Anil Kumar Bansal (DIN: 06752578)	ID	6	Yes	10,000	1	2	1
@Ms. Neeru Abrol (DIN: 01279485)	ID	6	Yes	-	5	6	3
@Shri Virendra Singh Jain (DIN: 00253196)	ID	6	Yes	520	1	2	2

Name of Director	Category	No. of Board Meetings attended during FY 2021-22	Attendance in last AGM held on 23 July, 2021	No. of shares held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorships $	Other MemberShips**	Other Chairmanships **
Shri Romi Sehgal	ED	6	Yes	1,55,215	4	1	-
(DIN: 03320454)							
# Shri Ameet Kumar Gupta	ID	5	NA	-	4	3	-
(DIN: 00002838)							
# Shri Rahul Gupta	NED	5	NA	-	3	1	-
(DIN: 07151792)							

CMD= Chairman and Managing Director, NED= Non-Executive Director, ID= Independent Director and ED= Executive Director

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

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

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

Appointed as Director w.e.f. August 6, 2021

Shri Vinay Gupta, Director is brother of Shri Sanjay Gupta, CMD and Shri Rahul Gupta, Director is the son of the CMD. Except the above, no other Director of the Company is related to any other Director.

2.2 Name of the listed entities where director is a director, other than APL Apollo Tubes Limited:

Name of Director	Name of the Listed Entities	Category
Shri Sanjay Gupta	Apollo Pipes Limited	Chairman
Shri Ashok K. Gupta	Shalimar Paints Limited	Managing Director
Shri Romi Sehgal	Apollo TriCoat Tubes Limited	Whole Time Director
Shri Anil Kumar Bansal	Apollo TriCoat Tubes Limited	Independent Director
Shri V.S. Jain	Dalmia Bharat Limited	Independent Director
Ms. Neeru Abrol	Apollo Pipes Limited	Independent Director
	TCNS Clothing Co. Limited	
	Apollo Tricoat Tubes Limited	
Shri Abhilash Lal	Ganesha Ecosphere Limited	Independent Director
	Apollo Pipes Limited	
Shri Vinay Gupta	Apollo Tricoat Tubes Limited	Non-Executive Director
Shri Ameet Kumar Gupta	Havells India Limited	Whole Time Director
Shri Rahul Gupta	Apollo Tricoat Tubes Limited	Managing Director

2.3 Date and number of Board Meetings held

Six (6) Board Meetings were held during the financial year 2021-22 i.e., on June 3, 2021, August 6, 2021, October 27, 2022, November 16, 2021, January 25, 2022 and March 19, 2022. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days.

3. Independent Directors

Independent Directors of the Company are required to comply with the requirements of the "Code of Conduct for the Board members and Senior Management Personnel", "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" and the Code for Independent directors (Schedule IV of Companies Act, 2013).

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

Further, in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

A formal letter of appointment to Independent Directors as provided in Act has been issued and the draft of the same is available in Investors section on website of the Company viz. www.aplapollo.com.

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on January 21, 2022. Shri Virendra Singh Jain was unanimously elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting.

At the meeting held on January 21, 2022, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman after taking into account the views of the Executive Directors and Non-Executive Directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

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

4. Familiarization Programme for Independent Directors

In accordance with the provisions of Regulation 25(7) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended from time to time ("Listing Regulations"), the Company has been conducting various familiarization programmes for Independent Directors. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is https://aplapollo.com/policies/#policies

5. Board Skills, Expertise or Competence

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

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

Skill/ expetise / competence	Names(s) of directors having the respective skill/ expertise/ competence
Finance	Shri Sanjay Gupta, Ms. Neeru Abrol, Shri V S Jain, Shri Anil Kumar Bansal and Shri Ameet Kumar Gupta
Law	Shri Abhilash Lal and Shri V S Jain
Sales & Marketing	Shri Sanjay Gupta, Shri Ashok Gupta, Shri Romi Sehgal and Shri Rahul Gupta
Operations	Shri Sanjay Gupta, Shri Vinay Gupta, Shri Ashok Gupta, Shri Romi Sehgal and Shri Rahul Gupta
Research	Shri Ashok Gupta and Shri Abhilash Lal
Corporate Governance	Shri Sanjay Gupta , Shri V S Jain, Shri Anil Kumar Bansal, Shri Abhilash Lal, Ms. Neeru Abrol and Shri Ameet Kumar Gupta
Education	Shri Ashok Gupta and Shri Abhilash Lal
Community Service	Shri Ashok Gupta, Shri Vinay Gupta and Shri Ameet Kumar Gupta

6. Performance Evaluation

The Board of Directors has made formal annual evaluation of its own performance, and that of its committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under the Listing Regulations.

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

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

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

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

7. Audit Committee

The Audit Committee has been formed in pursuance of the Listing Regulations and Section 177 of the Companies Act, 2013. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 read with Part C to Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred to by the Board of Directors.

The Audit Committee, inter-alia, oversees the financial reporting besides reviewing the quarterly, half-yearly, annual financial results of the Company, the Company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal/external auditors and management

During the year under review, 4 (four) meetings of the Audit Committee of the Board were held i.e., on June 3, 2021, August 6, 2021, October 27, 2022 and January 25, 2022. The composition of the Audit Committee as on March 31, 2021 and the meetings attended by its members are as under:

S. No	Name of Director	Status	No. of meetings attended
1	Shri Anil Kumar Bansal	Chairperson	4
2	Shri Abhilash Lal	Member	4
3	Shri Vinay Gupta	Member	4
4	Ms. Neeru Abrol	Member	4

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

Shri Deepak C S, Company Secretary acts as the Secretary to the Committee.

8. Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee is instrumental in identifying persons qualified to become Directors or part of senior management in accordance with the criteria laid down by the Board, to carry out evaluation of every Director's performance, to recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees and Board Diversity etc. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 read with Part D to Schedule II of the Listing Regulations, Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. Pursuant to the terms of reference, the said Committee deals with matter of the appointment / reappointment of Directors and their remuneration etc. and submits its recommendations to the Board for approval.

During the year, two meetings of the Nomination and Remuneration Committee were held i.e., on August 6, 2021 and January 21, 2022 which were duly attended by all the committee members. The composition of the Nomination and Remuneration Committee as on March 31, 2022 and the particulars of attendance of members were as under:

S. No.	Name of Director	Status	No. of meetings attended
1	Ms. Neeru Abrol	Chairperson	2
2	Shri Vinay Gupta	Member	2
3	Shri Virendra Singh Jain	Member	2

Shri Deepak C S, Company Secretary acts as the Secretary to the Committee.

8.1 Nomination and Remuneration Policy

In terms of the Listing Regulations and the Act, the Company has in place Nomination & Remuneration Policy. The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of directors and other matters as provided under subsection (3) of Section 178 of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Policy also lays down broad guidelines for evaluation of performance of Board as a whole, Committees of the Board, individual Directors including the chairperson and the Independent Directors. The Policy encourages the appointment of women at senior executive levels and thereby promoting diversity. The Policy is designed to attract, recruit, retain and motivate best available talent.

The Policy is available on the website of the Company at https://aplapollo.com/policies/#policies During the financial year, no changes were made in the Policy.

8.2 Remuneration to the Directors

Non- Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors attended by them. However, the sitting fees are subject to ceiling/limits as provided under the Act and rules made thereunder or any other enactment for the time being in force. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2021-22 was ₹58.50 Lakh. The details of the remuneration of Directors during the financial year 2021-22 are given below:

(₹ in crores)

S. No	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	**Shri Abhilash Lal**	**Shri Anil Kumar Bansal**	**Ms. Neeru Abrol**	**Shri V.S. Jain**	
	• Fee for attending Board/ Committee Meetings	0.085	0.11	0.11	0.10	0.405
	• Commission/ Others	-	-	-		-
	Total (1)	0.085	0.11	0.11	0.10	0.405
2	Other Non – Executive Directors	**Shri Vinay Gupta**	**Shri Rahul Gupta**	**Shri Ashok Kumar Gupta**	**Shri Ameet Kumar Gupta**	
	• Fee for attending Board / Committee Meetings	0.03	0.02	0.085	0.045	0.18
	• Commission/ Others	-	-	-	-	-
	Total (2)	0.03	0.02	0.085	0.045	0.145
	Total(B)= (1+2)	-	-	-	-	0.585

Apart from the sitting fees and reimbursement of expenses, there were no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

Executive Director:

The terms of remuneration of Chairman and Managing Director is approved by the shareholders at the general body meeting. The details of remuneration paid to the Chairman and Managing Director in the financial year 2021-22 are as under:

(₹ in crores)

S. No.	Particulars of Remuneration	Shri Sanjay Gupta	Total
1.	Gross salary	3.50	3.50
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	-	-
	(b)Value of perquisites u/s17(2) Income -tax Act,1961	-	-
	(c)Profits in lieu of salary under section 17(3)Income- tax Act, 1961	-	-
2.	Commission	-	-
2.	Stock Option	-	-
3.	Others, please specify	-	-
	Total (A)	3.50	3.50

Other Executive Director- During the year under review, the Company allotted 43750 equity shares @₹143.855 to Shri Romi Sehgal (Executive Director), pursuant to exercise of 43750 options granted to him under APL Apollo Employee Stock Option Scheme- 2015 ("ESOS-2015).

Service contracts, notice period, severance fee

The Managing Director and Executive Directors are generally appointed for a period of five/three years. There is no severance fee or notice period for Managing Director and Executive Directors.

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

9. Stakeholders Relationship Committee

In compliance with the Regulation 20 of the Listing Regulations and provisions of Section 178 of Act, the Company has a Stakeholders' Relationship Committee.

During the year, one meeting of the Stakeholders Relationship committee was held i.e., on January 21, 2022.

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

S. No.	Name of Director	Status	No. of meetings attended
1	Shri Anil Kumar Bansal	Chairperson	1
2	Shri Abhilash Lal	Member	1
3	Shri. Ashok Kumar Gupta	Member	1

Shri Deepak C S, Company Secretary acts as the Secretary to the Committee.

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

A total of five complaints were received from the shareholders' during the year under review, all of which were redressed to the satisfaction of the respective complainants. As on March 31, 2022, no investor grievance was pending to be resolved.

10. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company under the provisions of Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014. (as amended from time to time).

During the year two meeting of the CSR Committee was held on May 10, 2021 and January 21, 2022. The composition and the attendance of Directors at the meeting is as under:

S. No.	Name of Director	Status	No. of meetings attended
1	Shri Anil Kumar Bansal	Chairperson	2
2	Shri Ashok Kumar Gupta	Member	2
3	Shri Virendra Singh Jain	Member	2

Shri Deepak C S, Company Secretary acts as the Secretary to the Committee.

11. General Body Meetings

A. Annual General Meeting

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

Financial Year	Venue	Date and Time	Special Resolution Passed
2020-21	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	July 23, 2021 11:00 A.M	1) To continue the directorship of Shri Virendra Singh Jain (DIN: 00253196) as Non-Executive Independent Director beyond 75 years of age after July 24, 2021 2) To re-appoint Mr. Virendra Singh Jain (DIN: 00253196) as an Independent Director for the second term with effect from January 28, 2022 till September 30, 2024
2019-20	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 29, 2020 11:00 A.M	1) To re-appoint Ms. Neeru Abrol as an Independent Director for a second term of 5 years

Financial Year	Venue	Date and Time	Special Resolution Passed
2018-19	JP Hotel & Resorts, 6B, IP Extension, Patparganj, Near Max Hospital, Delhi-110092	September 28, 2019 11:00 A.M	1) To adopt new set of articles of association of the company containing regulations in conformity with the companies act, 2013. 2) To adopt new set of memorandum of association of the company in conformity with the companies act, 2013. 3) To re-appoint Shri Abhilash Lal as an Independent Director for a second term of 5 years. 4) To re-appoint Shri Anil Kumar Bansal as an Independent Director for a second term of 5 years

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

Description (Nature of Resolution)	Date of Notice	Date of Dispatch of Postal Ballot Forms to Members	Last date for receiving the Postal Ballot forms including e-voting	Date of passing resolution
1) To increase the authorized share capital of the company and amend the capital clause in the memorandum of association 2) To Issue Bonus Shares 3) To appoint Shri Ameet Kumar Gupta as Independent Director 4) To Appoint Shri Rahul Gupta as Director	August 6, 2021	August 10, 2021	September 9, 2021	September 9, 2021

The Company had appointed Shri Jatin Gupta of M/s Jatin Gupta & Associates, Practising Company Secretaries as scrutinizer to conduct the above instances of e-voting process in fair and transparent manner.

Procedure followed in above postal ballot is as under – The notices containing the proposed resolutions and explanatory statement were sent to the shareholders by email in accordance with MCA General Circulars Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020 and 10/2021 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020 and June 23, 2021 respectively. The evoting period was for 30 days from dispatch of notice. The Scrutinizer submitted the report to the Company. The voting results were announced within 48 hours of end of the evoting period. For evoting, the company is having agreement with Central Depository Services Limited ('CDSL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot. As on the date of this report, no business is proposed to be conducted through postal ballot.

12. Disclosures

a) Related Party Disclosure:

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements), 2015 during the financial year were in the ordinary course of business, on arm's length pricing basis and not material in nature, accordingly, do not attract the provisions of Section 188 of the Companies Act, 2013.

Besides this, the Company has no material significant transaction with the related parties viz. promoters, directors of the Company, their relatives, subsidiaries of promoter Company, person or entity belonging to the promoter/ promoter group etc. that may have a potential conflict with the interest of the Company at large

The Company has also formulated a policy on dealing with Materiality of Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is https://aplapollo.com/policies/#policies

Suitable disclosure as required by the Indian Accounting Standard (IND-AS) 24 has been made in the Note no. 37 to the Financial Statements.

b) Management discussion and analysis report

Management discussion and analysis report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in a separate section forming part of the Annual Report.

c) Business responsibility report

Business Responsibility Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in a separate section forming part of the Annual Report.

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

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

(a) The Company's financial statements are with unmodified audit opinion. A declaration to this effect, duly signed by the Chief Financial Officer has also been furnished. There are no audit qualifications on the financial year 2021-22

(b) The internal auditor reports directly to the Audit Committee of the Board.

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

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

f) Prevention of Sexual Harassment of Women at Workplace:

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the provisions of the said Act and an Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment. During the period under review, Company did not receive any complaint relating to sexual harrassment.

g) Risk Management: The Company has a duly approved Risk Management Policy and constituted a Risk Management Committee as required under SEBI Listing Regulations. The Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

During the year two meeting of the Risk Management Committee was held on October 28, 2021 and January 21, 2022. The composition and the attendance of Directors at the meetings are as under:-

S. No.	Name of Director	Status	No. of meetings attended
1	Shri Virendra Singh Jain	Chairperson	2
2	Shri Abhilash Lal	Member	2
3	Shri Anil Kumar Bansal	Member	2
4	Shri Ashok Kumar Gupta	Member	2
5	Ms Neeru Abrol	Member	2

This Policy is available on the website of the Company and the weblink for the same is https://aplapollo.com/policies/#policies

h) Vigil Mechanism / Whistle Blower policy:

In compliance with provisions of Section 177 (9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Company has framed a Vigil Mechanism / Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Chairman of the Audit Committee.

This Policy is available on the website of the Company and the weblink for the same is https://aplapollo.com/policies/#policies

i) Subsidiary Companies:

The financial statements, in particular, the investments made by the unlisted subsidiary companies, if any, are reviewed by the Audit Committee of the Company.

The minutes of the Board meetings of the unlisted subsidiary companies are placed at the Board meeting of the Company. A statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, are also placed at the Board meeting of the Company.

As the members are aware of, the Board of Directors of Company at its meeting held on February 27, 2021, had approved a scheme of amalgamation of Shri Lakshmi Metal Udyog Limited and Apollo Tricoat Tubes Limited with the Company and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. Subsequently BSE Limited and National Stock Exchange of India Limited had given their NOC to the Scheme.

Further, the shareholders, the secured creditors and the unsecured creditors of Company, at their separate meetings held on February 8, 2022, had approved the said scheme of amalgamation. Similar approvals have been received by the transferor companies also. The Scheme is now subject to sanction of the Hon'ble NCLT, Delhi. NCLT has fixed May 27, 2022 as the final date of hearing for considering the sanctioning of the Scheme. The Scheme related details are available on the website of the Company at https://aplapollo.com/announcements/#Mergers.

Apollo Metalex Private Limited and Shri Lakshmi Metal Udyog Limited are two material unlisted subsidiaries of the Company. Pursuant to regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the secretarial audit report of both Apollo Metalex Private Limited and Shri Lakshmi Metal Udyog Limited are attached as 'Annexure F4' & 'Annexure F5' respectively.

The Company has formulated a policy for determining material subsidiary as required under Regulation 16 of the Listing Regulations and the same is disclosed on the Company's Website. The web link is https://aplapollo.com/policies/#policies

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

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

13. List of all credit ratings obtained by the Company along with any revisions thereto during the financial year ended March 31, 2022:

During the year under review, the Rating agencies CRISI, CARE and ICRA maintained "AA (Stable)" rating for the Company's long term borrowings and "A1+" rating for the Company's short term borrowings.

14. Means of communication:

i. Publication of quarterly/half yearly/nine monthly/ annual results:

Quarterly/ half yearly/ nine monthly and annual financial results are normally published in Economic Times, Nav Bharat Times etc. and are promptly furnished to the Stock Exchanges. The results are also displayed on the web-site of the Company www.aplapollo.com.

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

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

ii. Press release:

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

iii. Presentations to analysts:

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

15. General Shareholders' Information:

i. Annual general meeting

Date and time: September 12, 2022 (Monday) at 11.00 A.M.

Venue: Through VC/OAVM or at a common physical venue depending on the prevailing situation

ii. Dividend Payment: The dividend of ₹3.5 per equity share for financial year 2021-22, has been recommended by the Board of Directors, subject to approval from shareholders. The same shall be paid after September 12, 2022 but within the statutory time limit.

iii. Listing of shares:

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

1. BSE Limited (Scrip Code: 533758)
2. National Stock Exchange of India Limited (Symbol: APLAPOLLO)

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

ISIN Code for the Company's Equity Shares: INE702C01027

iv. Distribution schedule as at March 31, 2022

Nos. of equity shares held	Shareholders		Shares held	
	Number	%	Number	%
Upto 100	1,16,393	71.98	26,71,052	1.07
101 - 500	31,337	19.38	82,05,408	3.28
501 - 1000	7,468	4.62	52,56,326	2.10
1001 - 2000	3,061	1.89	42,97,820	1.72
2001 - 5000	2,015	1.25	63,57,842	2.54
5001 - 10000	617	0.38	44,32,704	1.77
10001 - 20000	343	0.21	47,42,484	1.89
20001 - 30000	135	0.08	33,56,097	1.34
30001 - 40000	64	0.04	22,88,757	0.91
40001 - 50000	51	0.03	23,04,988	0.92
50001 - 100000	71	0.04	49,07,189	1.96
100001 - 500000	111	0.07	2,42,12,255	9.67
Above 500000	40	0.02	17,72,47,578	70.82
Total	**1,61,706**	**100.00**	**25,02,80,500**	**100.00**

v. Shareholding pattern as on March 31, 2022

Category	No. of shares held	Percentage of shareholding
Indian Promoters	8,63,96,000	34.52
Foreign Portfolio Investors	5,82,83,051	23.29
Trusts/Foreign Nationals, NRIs/Clearing Members/HUF/Bodies Corporates/IEPF	5,68,00,881	15.15
Individuals	3,98,73,330	15.94
Mutual funds	1,81,10,639	7.24
Insurance Companies	74,19,825	2.96
Alternate Investment Funds	23,02,422	0.92
Total	**25,02,80,500**	**100**

vi. Market price data

Month and Year	Stock market price on BSE (In ₹ Per share)			Sensex		Stock market price on NSE		
	High	Low	Traded quantity	High	Low	High	Low	Traded quantity
April, 2021	1440.95	1170.15	744313	50375.77	47204.5	1,440.00	1,170.00	45,49,904
May, 2021	1379	1178	315913	52013.22	48028.07	1,385.00	1,177.70	44,13,194
June, 2021	1650.05	1262	2219919	53126.73	51450.58	1,644.70	1,260.00	96,50,694
July, 2021	1850	1440	318476	53290.81	51802.73	1,849.85	1,436.15	48,99,592
August, 2021	1830	1485	269655	57625.26	52804.08	1,824.95	1,482.85	39,59,485
September, 2021	1908.7	804.55	542451	60412.32	57263.9	1,908.50	804.10	80,79,214
October, 2021	894.95	750	3672709	62245.43	58551.14	895.00	750.10	1,26,41,362
November, 2021	939.9	800	797608	61036.56	56382.93	939.95	801.00	1,69,56,555
December, 2021	1113.65	899.6	1297777	59203.37	55132.68	1,114.55	900.00	1,34,66,172
January, 2022	1080	800.15	707517	61475.15	56409.63	990.00	800.25	1,24,46,833
February, 2022	929.6	771	773142	59618.51	54383.2	929.00	770.90	71,06,019
March, 2022	967	814.85	452180	58890.92	52260.82	967.95	815.00	79,30,734

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

vii. Share transfer system

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

All such permitted requests are handled and disposed of by Company's Registrar & Share Transfer Agent i.e. M/s Abhipra Capital Limited within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

In compliance with the SEBI Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

Demat/Remat and related operations for APL Apollo Tubes Limited are also handled by M/s Abhipra Capital Limited.

viii. Unclaimed Dividends:

Pursuant to provisions of Section 125 of the Companies Act, 2013 the dividends which have remained unpaid / unclaimed for a period of seven years from the date of transfer the unpaid dividend amount is mandatorily required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The status of remaining unclaimed dividend is given hereunder:

Financial year	Dividend Per Share (₹)	Unclaimed Dividend amount as on March 31, 2022	Date of Declaration	Due date for transfer to IEPF
2014-2015 (Final Dividend)	6.00	4,29,084	August 28, 2015	October 4, 2022
2015-2016 (Final Dividend)	10.00	10,63,990	September 24, 2016	October 31, 2023
2016-2017 (Final Dividend)	12.00	4,10,580	September 29, 2017	November 4, 2024
2017-2018 (Final Dividend)	14.00	15,48,904	September 29, 2018	November 4, 2025
2018-2019 (Final Dividend)	14.00	13,14,656	September 28, 2019	November 3, 2026

ix. Dematerialization of shares

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

As on March 31, 2022 99.99% of the Company's total Equity Shares representing 25,02,79,618 shares were held in dematerialized form and 882 shares representing 0.00% of paid-up share capital were held in physical form.

x. Outstanding ADRs/ GDRs

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

xi. Warrants and other convertible instruments:

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

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

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

xiii. Details of utilization of funds raised through preferential allotment: Not Applicable

xiv. As required by Clause 10 (i) of Part C under Schedule V of the Listing Regulations, the Company has received a certificate from M/s Anjali Yadav & Associates, Practicing Company Secretary certifying that none of the Company's Directors has been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority and the same has been annexed herewith as 'Annexure F1'

xv. During the financial year ended March 31, 2022, the Company and its two wholly owned subsidiaries namely Shri Lakshmi Metal Udyog Limited and Apollo Metalex Private Limited have paid total fees for various services including statutory audit, amounting to ₹ 1.52 crore, including taxes, to the Statutory Auditor, namely M/s. Deloitte Haskins & Sells LLP, Chartered Accountants. Further, no fees other than above was paid by any of the subsidiaries or by the Company to any entity in the network firm/ network entity of which the Statutory Auditor is a part.

xiii. Investors Correspondence can be made on Registered Office of the Company as given under:	**APL Apollo Tubes Limited** CIN: L74899DL1986PLC023443 37, Hargobind Enclave, Vikas Marg, Delhi – 110092. Phone: 011- 22373437 Fax 011-22373537 Mail: investors@aplapollo.com	
xiv. Registrar and Share Transfer Agent:	**M/s. Abhipra Capital Limited** GF- Abhipra Complex, Dilkhush Industrial Area, A-387, G.T. Karnal Road Azadpur, Delhi-110033 Phone: 011-42390725 Fax: 011-2721 5530 Mail: rta@abhipra.com	
xv. Plant Locations:	**Unit – 1** A-19 and A-20, Industrial Area, Sikandrabad, Distt. Bulandsahar, Uttar Pradesh-203205	**Unit –2** No. 332-338, Alur Village, Perandapalli, Hosur, Tamil Nadu-635109.
	Unit-3 Plot No. M-1, Additional MIDC Area, Murbad, Thane Maharashtra – 421401	**Unit-4** Village Bendri, Near Urla Industrial Area, Raipur, Chhattisgarh- 492001
	Unit-5 Survey No. 443,444,538,539 Wadiaram village, Chegunta (Mandal), Medak district, Telengana- 502255	
xvi. Subsidiaries' Plant Locations:	**Apollo Metalex Private Limited** CIN: U27104DL2006PTC146579 Unit-I: A-25 Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205 Unit-I: Plot No. 22 Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205	**Shri Lakshmi Metal Udyog Limited** CIN: U85110DL1994PLC224835 No. 9 to 11, KIADB Industrial Area Attibele, Bengaluru, Karnataka – 562107
	Apollo Tricoat Tubes Limited CIN: L74900DL1983PLC014972 Unit-I: Plot No. 53, Part-1,4th Phase, Industrial Area, Sy. No. 28-33, Kurandhalli Village, Kasaba Hobli, Malur, Taluk, Distt. Kolar-563130, Karnataka. Unit-II: Village Bisnoli, Khasra No. 527 To 530 & 569, Dujana Road, Tehsil Dadri, Gautam Budh Nagar, Uttar Pradesh -203207	**APL Apollo Building Products Private Limited** Village- Rigni, Kesda, Tahsil-Simga, Distt.- Baloda Bazar-Bhatapara, Chhattisgarh-493113

xvii. Stock Exchanges:	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra - 400 001 Phone: +91 22 2272 1233; Fax: +91 22 2272 1919 Website: www.bseindia.com	**National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai, Maharashtra - 400 051 Phone: +91 22 2659 8100; Fax: +91 22 2659 8120 Website: www.nseindia.com
xix. Depositories:	**National Securities Depository Limited** Trade World, A Wing, 4^{th} & 5^{th} Floors, Kamala Mills Compound, Lower Parel, Mumbai, Maharashtra - 400 013 Phone: +91 22 2499 4200; Fax: +91 22 2497 6351 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	**Central Depository Services (India) Limited** Phiroze Jeejeebhoy Towers, 17^{th} Floor, Dalal Street, Mumbai, Maharashtra - 400 001 Phone: +91 22 2272 3333; Toll free: 1800-200-5533 Fax: +91 22 2272 3199 E-mail: helpdesk@cdslindia.com Website: www.cdslindia.com

6. Code of Conduct:

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

A declaration signed by the Managing Director is attached as 'Annexure F2'

17. CEO and CFO Certification:

Shri Sanjay Gupta, Chairman and Managing Director and Shri Deepak Kumar Goyal, Chief Financial Officer of the Company have provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) read with Schedule II of Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

18. Compliance certificate of the Practicing Company Secretary:

Certificate from the Practicing Company Secretaries M/s Anjali Yadav and Associates, confirming compliance with conditions of Corporate Governance as required under Regulation 34(3) Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report, and the same has been annexed as 'Annexure F3'

19. Code for prevention of insider trading:

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

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Place: Ghaziabad
Chairman and Managing Director

Date: May 13, 2022
(DIN: 00233188)

'Annexure F1'

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APL Apollo Tubes Limited having CIN: L74899DL1986PLC023443and having registered office at 37, Hargobind Enclave, Vikas Marg, Delhi- 110092 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of Directors	DIN (Director Identification Number)	Date of appointment in company
1.	Mr. Vinay Gupta	00005149	16/05/2008
2.	Mr. Sanjay Gupta	00233188	02/09/2003
3.	Mr. Virendra Singh Jain	00253196	28/01/2017
4.	Ms. NeeruAbrol	01279485	24/03/2015
5.	Mr. Ashok Kumar Gupta	01722395	19/10/2011
6.	Mr. Abhilash Lal	03203177	12/02/2014
7.	Mr. Romi Sehgal	03320454	13/08/2016
8.	Mr. Anil Kumar Bansal	06752578	04/08/2014
9.	Mr. Ameet Kumar Gupta	00002838	06/08/2021
10.	Mr. Rahul Gupta	07151792	06/08/2021

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

For Anjali Yadav & Associates
Company Secretaries

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

Place: New Delhi
Date: May 13, 2022
UDIN: F006628D000314815

'Annexure F2'

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

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

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

For APL Apollo Tubes Limited

Place : Ghaziabad

Sd/-

Date : May 13, 2022

Sanjay Gupta

Chairman and Managing Director

'Annexure F3'

Compliance Certificate on Corporate Governance

To

The members of APL Apollo Tubes Limited

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

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

Opinion

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

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

Restriction on use

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

For Anjali Yadav & Associates
Company Secretaries

Date: May 13, 2022
Place: New Delhi
UDIN: F006628D000314782

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

'Annexure F4'

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Shri Lakshmi Metal Udyog Limited
37, Hargobind Enclave,
Vikas Marg, Delhi-110092

I, Kuldeep Dahiya, Proprietor of Kuldeep Dahiya & Associates, Company Secretaries have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

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

(i) The Companies Act, 2013 ("the Act") and the rules made there under (as amended from time to time)

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under (as amended from time to time) - **Not applicable to the Company during audit period**

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under (as amended from time to time)

(iv) Foreign exchange management Act, 1999 and the rules and regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI) and External Commercial Borrowings (as amended from time to time) - **Not applicable to the Company during audit period**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) - **Not applicable to the Company during audit period**

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time) - **Not applicable to the Company during audit period**

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) - **Not applicable to the Company during audit period**

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during audit period**

e) The Securities and Exchange Board of India (Employee Stock Option Scheme, Employee Stock Purchase Scheme) Guidelines, 1999 and 1Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended from time to time) - **Not applicable to the Company during the audit period**

f) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time) - **Not applicable to the Company during the audit period**

g) [2]The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) - **Not applicable to the Company during the audit period**

h) [3]The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (as amended from time to time) - **Not applicable to the Company during the audit period**

i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) -**Not applicable to the Company during the audit period**

j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended from time to time)

Footnotes:

1. [1]The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and SEBI (Issue of Sweat Equity) Regulations, 2002 (as amended from time to time) have been merged into The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time).
2. [2&3]The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (as amended from time to time) have been merged into Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021(as amended from time to time) provided at point (v) (i) to the report

   However the SEBI regulations provided in footnotes are not applicable to the company during the year under review.

k) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time) - **Not applicable to the company during the audit period**

l) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time) - **Not applicable to the company during the audit period**

m) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time)- **Not applicable to the company during the audit period**

(vi) I, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws such as:-

(a) Indian Explosives Act, 1884
(b) Factories Act, 1948
(c) Environment (Protection) Act, 1986
(d) The Water (Prevention & Control of Pollution) Act, 1974
(e) Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013
(f) Air (Prevention & Control Pollution) Act, 198l
(g) Employees Provident Fund and Miscellaneous Provisions Act, 1952
(h) Payment of Wages Act, 1936
(i) Payment of Gratuity Act, 1972
(j) Contract Labour (Regulation & Abolition) Act, 1970
(k) Industrial Disputes Act, 1947
(l) Minimum Wages Act, 1948
(m) Payment of Bonus Act, 1965
(n) Industrial Employment (Standing Orders) Act, 1946
(o) Trade Union Act, 1926

(p) Workmen Compensation Act, 1923

(q) Industries (Development & Regulation) Act, 195I

(r) Employees State Insurance Act, 1948

and all other Labour Laws, Rules and Regulations applicable to the company

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

(i) Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India.

(ii) Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India

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

I further report that

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. Adequate notice is given to directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance to the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings were carried out unanimously as recorded in the Minutes of the Board of Directors.

I further report that

The Company at its meeting held on 27th February, 2021, has considered and approved a draft scheme of amalgamation of the Company and Apollo Tricoat Tubes Limited with APL Apollo Tubes Limited ("APL Apollo ") and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013. With reference to the latest developments in respect of the said amalgamation, it is hereby informed that in compliance to the directions of Hon'ble National Company Law Tribunal, New Delhi, the company has convened the meeting of the Equity Shareholders of the Company on Monday, 7th February 2022 through video conferencing for approval of the Scheme of Amalgamation and Arrangement between Shri Lakshmi Metal Udyog Limited, Apollo Tricoat Tubes Limited and APL Apollo Tubes Limited.

This Report is to be read with my letter of even date which is annexed as **Annexure 1** and forms an integral part of this Report.

For Kuldeep Dahiya & Associates
Company Secretaries

Sd/-

Kuldeep Dahiya
Proprietor
ACS No.: 34404
C P No.: 18930
UDIN: A034404D000313067

Place: Sonepat

Date: 13.05.2022

Annexure 1

To,
The Members,
Shri Lakshmi Metal Udyog Limited
37, Hargobind Enclave,
Vikas Marg, Delhi-110092

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

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

For Kuldeep Dahiya & Associates
Company Secretaries

Sd/-
Kuldeep Dahiya
Proprietor
ACS No.: 34404
C P No.: 18930
UDIN: A034404D000313067

Place: Sonepat
Date: 13.05.2022

'Annexure F5'

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2022

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

To,
The Members,
Apollo Metalex Private Limited
37, Hargobind Enclave,
Vikas Marg New Delhi – 110092

We, Anjali Yadav, Proprietor of Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **APOLLO METALEX PRIVATE LIMITED (CIN: U27104DL2006PTC146579)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

(i) The Companies Act, 2013 (as amended) ('the Act') and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956(as amended) and the Rules made thereunder; **(Not applicable to the Company during the audit period)**

(iii) The Depositories Act, 1996(as amended) and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time)

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time)

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time)

e) The Securities and Exchange Board of India (Employee Stock Option Scheme, Employee Stock Purchase Scheme) Guidelines, 1999 and 1Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (as amended);

f) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021; (as amended);

g) [2]The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**

h) [3]The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (as amended)**(Not applicable to the Company during the audit period)**

i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (as amended) **(Not applicable to the Company during the audit period)**

j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended)

k) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (as amended); **(Not applicable to the Company during the audit period)**

l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; (as amended)

Footnotes:

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

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

(vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws including but not limited to:-

a) Indian Explosives Act, 1884
b) Factories Act, 1948
c) Environment (Protection) Act, 1986
d) The Water (Prevention & Control of Pollution) Act, 1974
e) Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013
f) Air (Prevention & Control Pollution) Act, 198l
g) Employees Provident Fund and Miscellaneous Provisions Act, 1952
h) Payment of Wages Act, 1936
i) Payment of Gratuity Act, 1972
j) Contract Labour (Regulation & Abolition) Act, 1970
k) Industrial Disputes Act, 1947
l) Minimum Wages Act, 1948
m) Payment of Bonus Act, 1965
n) Industrial Employment (Standing Orders) Act, 1946
o) Trade Union Act, 1926

p) Workmen Compensation Act, 1923

q) Industries (Development & Regulation) Act, 1951

r) Employees State Insurance Act, 1948

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

(i) Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India.

(ii) Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India.

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

We further report that:

As per information, explanation and documents provided to us, during the financial year 2021-22, the company was required to spend an amount ₹1.22 Crore towards the Corporate Social Responsibility activities for the financial year 2020-21, however it has spent only an amount of ₹0.23 Lakhs towards its CSR activities and the balance unspent amount was transferred to PM CARES Fund as specified in Schedule VII of the Act within the specified time period in compliance to the provisions of Section 135(5) of the Act.

We further report that:

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

We further report that:

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

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

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

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

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

For Anjali Yadav& Associates
Company Secretaries
Sd/-

Place: New Delhi
Date: May 13, 2022
UDIN: F006628D000313418

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

Annexure A

To,
The Members,
Apollo Metalex Private Limited
37, Hargobind Enclave,
Vikas Marg New Delhi – 110092

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

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

For Anjali Yadav& Associates
Company Secretaries

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

Place: New Delhi
Date: May 13, 2022
UDIN: F006628D000313418

Independent Auditor's Report

TO THE MEMBERS OF

APL APOLLO TUBES LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **APL Apollo Tubes Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its 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 standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report (hereinafter referred to as "Other Information"), but does not include the standalone financial statements and our auditor's report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone 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 standalone 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 control 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 standalone 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its 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 standalone financial statements (Refer Note no 37(a) of the standalone 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 no 37(b)(5) of the standalone financial statements).

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company (Refer Note no 37(c) of the standalone financial statements).

        iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46(g) the standalone financial statements, 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.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 46(h) to the standalone financial statements, 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.

(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. As stated in note 46(i) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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)

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN:22095540AIYOYK2613)

Place: Ghaziabad
Date: May 13, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **APL Apollo Tubes Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone 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 based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the criteria for internal financial control over financial reporting 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)

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN:22095540AIYOYK2613)

Place: Ghaziabad
Date: May 13, 2022

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 its fixed assets (Property, Plant and Equipment):

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress, investment properties 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, investment properties and right-of-use assets so to cover all items once 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 during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, immovable properties of land and buildings included in Property, Plant and Equipment, Right of use, Capital work in progress and investment property in the standalone financial statements whose title deeds / conveyance deeds have been pledged as security for loans are held in the name of the Company / erstwhile name of the Company based on the confirmations directly received by us from lenders / custodians. In respect of immovable properties of land that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except for the following:

Description of immovable properties taken on lease	Gross Block as at March 31, 2022 (₹ in crore)	Carrying value as at March 31, 2022 (₹ in crore)	Held in name of	Whether Promoter, director or their relative or employee	Period Held	Reason for not being held in the name of the Company
Leasehold land (included under Right of use assets) and building (included under property, plant and equipment) located at Murbad, Maharashtra admeasuring 37,800 Sq. ft	2.91	2.24	Llyod Line Pipe Limited	No	From appointed date as per the approved scheme	The conveyance deed is in the name of erstwhile Company that was merged with the Company under Section 230 and Section 232 of the Companies Act, 2013 in terms of the approval of the Honourable National Company Law Tribunal, Principal bench, New Delhi

(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, 2022 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) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans or advances in the nature of loans and stood guarantee during the year and details of which are given below:

(₹ in crores)

		Loans	Advances in nature of loans	Guarantees
A.	Aggregate amount granted/ provided during the year*:			
	-Subsidiaries	329.17	1,849.35	1,199
	-Others	-	1.20	-
B.	Balance outstanding as at balance sheet date in respect of the above cases:			
	-Subsidiaries	-	-	1,199
	-Others	-	1.44	-

* The amount reported are at gross amounts. (Refer Note no. 40 for loans and advances in the nature of loans provided and outstanding from the subsidiaries).

The Company has not provided any security to any other entity during the year.

(b) The investments made and the terms and conditions of the grant of all the above mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues 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 complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts 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 books of account 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 Service 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, duty of Excise and Value Added Tax are not applicable to the Company. Also refer to the note 37(a)(i) to the standalone financial statements regarding management assessment on certain matters related to provident fund.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 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, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (net of payment) (₹ in crore)	Amount paid under protest (₹ in crore)
Uttar Pradesh Value Added Tax Act 2008	Value Added Tax	High Court of Allahabad	2007-2008	0.61	-
	Value Added Tax	Commercial Tax Tribunal, Ghaziabad	2011-2012	2.30	0.25
	Value Added Tax	Commercial Tax Tribunal, Ghaziabad	2013-2014	1.87	-
	Value Added Tax	Additional Commissioner (Appeals), Commercial Tax	2014-2015	0.03	0.28
	Value Added Tax	Additional Commissioner (Appeals), Commercial Tax	2016-2017	0.40	0.06
	Value Added Tax	Additional Commissioner (Appeals), Commercial Tax	2015-2016	1.08	0.24
Tamil Nadu Value Added Tax, 2006	Value Added Tax	High Court of Chennai	2010-11 and 2011-12	0.81	-
Central Excise Act, 1944	Excise Duty	High Court of Allahabad	1996-1997	0.77	0.04
	Excise Duty	Tribunal, Mumbai	2006-07 and 2007-08	4.55	0.17
	Excise Duty	Commissioner (Appeals), Thane	2014-15 & 2015-16	0.48	0.02
	Excise Duty	Commissioner (Appeals), Thane	2016-17, 2017-18 & 2018-19	0.29	0.02
Finance Act, 1994	Service Tax	CESTAT, Mumbai	2004-2005 and 2010-2011	0.71	-
	Service Tax	CESTAT, Mumbai	2010-2011 and 2011-2012	0.02	-
	Service Tax	CESTAT, Mumbai	2005-2006	0.21	-

(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 other 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) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the standalone 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) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies.

(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 standalone 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 for review as per Internal Audit plan covering period upto November 2021 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 it's directors 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 standalone 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 no. 46(d) of the standalone 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.

(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)

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN:22095540AIYOYK2613)

Place: Ghaziabad
Date: May 13, 2022

Standalone Balance Sheet as at 31 March 2022

(₹ in crore)

	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**			
(1)	**Non-current assets**			
(a)	Property, plant and equipment	2(a)	881.54	872.45
(b)	Capital work-in-progress	2(b)	42.94	52.89
(c)	Right of use assets	2(c)	17.75	17.56
(d)	Investment property	2(d)	62.51	-
(e)	Intangible assets	2(e)	1.06	1.62
(f)	Investment in subsidiaries	3(a) & 3(b)	751.68	524.33
(g)	Financial assets			
	(i) Investments	3(c), 3(d) & 3(e)	2.40	1.48
	(ii) Loans	4	0.42	107.29
	(iii) Other financial assets	5	18.51	18.63
(h)	Non-current tax assets (net)	6	53.63	5.23
(i)	Other non-current assets	7	30.68	50.71
	Total non-current assets		**1,863.12**	**1,652.19**
(2)	**Current assets**			
(a)	Inventories	8	673.88	550.39
(b)	Financial assets			
	(i) Trade receivables	9	327.97	87.18
	(ii) Cash and cash equivalents	10	54.73	3.19
	(iii) Bank balance other than (ii) above	11	168.56	341.30
	(iv) Loans	12	1.02	1.11
	(v) Other financial assets	13	20.95	17.83
(c)	Other current assets	14	96.67	104.19
			1,343.78	**1,105.19**
	Assets classified as held for sale	2(f)	-	62.51
	Total current assets		**1,343.78**	**1,167.70**
	Total Assets		**3,206.90**	**2,819.89**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity share capital	15(a)	50.06	24.98
(b)	Other equity	15(b)	1,695.03	1,423.81
	Total equity		**1,745.09**	**1,448.79**
(2)	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	16	172.40	224.48
	(ia) Lease liabilities	2(c)	0.01	-
	(ii) Other financial liabilities	17	0.85	0.78
(b)	Provisions	18	11.12	11.69
(c)	Deferred tax liabilities (net)	19	78.19	76.39
(d)	Other non-current liabilities	20	49.40	48.77
	Total non-current liabilities		**311.97**	**362.11**
(3)	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	21	215.60	263.39
	(ia) Lease liabilities	2(c)	0.61	0.08
	(ii) Trade payables	22		
	- total outstanding dues of micro enterprises and small enterprises		5.26	3.85
	- total outstanding dues other than micro enterprises and small enterprises		891.44	693.02
	(iii) Other financial liabilities	23	8.19	11.21
(b)	Other current liabilities	24	27.37	35.85
(c)	Provisions	25	0.81	0.57
(d)	Current tax liabilities (net)	26	0.56	1.02
	Total current liabilities		**1,149.84**	**1,008.99**
	Total Equity and Liabilities		**3,206.90**	**2,819.89**
See accompanying notes to the standalone financial statements		1-46		

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
APL APOLLO TUBES LIMITED

RASHIM TANDON
Partner
Membership No. 95540

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

Place : Ghaziabad
Date : May 13, 2022

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

(₹ in crore)

	Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	27	9,062.40	6,007.96
II	Other income	28	35.02	44.11
III	**Total income (I +II)**		**9,097.42**	**6,052.07**
IV	**Expenses**			
	(a) Cost of materials consumed	29	6,979.15	4,475.04
	(b) Purchase of stock-in-trade		1,123.22	894.04
	(c) Changes in inventories of finished goods, stock in trade, work-in-progress, rejection and scrap	30	(3.28)	(20.24)
	(d) Employee benefits expense	31	88.42	76.12
	(e) Finance costs	32	37.21	54.89
	(f) Depreciation and amortisation expense	33	71.14	68.18
	(g) Other expenses	34	416.48	299.03
	Total expenses		**8,712.34**	**5,847.06**
V	**Profit before tax (III - IV)**		385.08	205.01
VI	**Tax expense:**			
	(a) Current tax		96.30	47.38
	(b) Deferred tax / charge (net)	19	1.65	3.10
	(c) Income tax / deferred tax expense of earlier year	19	-	0.75
	Total tax expense	41	**97.95**	**51.23**
VII	**Profit for the year (V-VI)**		**287.13**	**153.78**
VIII	**Other comprehensive income for the year**			
	Add : (less) items that will not be reclassified to profit or loss			
	(a) Remeasurements of post employment benefit obligation		0.60	1.49
	(b) Income tax relating to above item		(0.15)	(0.38)
	Other comprehensive income for the year		**0.45**	**1.11**
IX	**Total comprehensive income for the year (VII+VIII)**		**287.58**	**154.89**
X	**Earnings per equity share of ₹2 each**			
	(a) Basic (in ₹)	36	11.49	6.17
	(b) Diluted (in ₹)	36	11.47	6.15
	See accompanying notes to the standalone financial statements	1-46		

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

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

a) Equity share capital

(₹ in crore)

Particulars	Amount
Balance as at April 1, 2020	24.87
Changes during the year ended March 31, 2021	0.11
Balance as at March 31, 2021	**24.98**
Changes during the year ended March 31, 2022	25.08
Balance as at March 31, 2022	**50.06**

b) Other equity

(₹ in crore)

Particulars	Securities premium	General reserve	Capital Reserve	Retained earnings	Share option outstanding account	Total
Balance as at April 1, 2020	**391.22**	**25.52**	**13.38**	**811.11**	**9.14**	**1,250.37**
Profit for the year ended March 31, 2021	-	-	-	153.78	-	153.78
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	1.11	-	1.11
Total comprehensive income for the year	**-**	**-**	**-**	**154.89**	**-**	**154.89**
Allocations/Appropriations :						
Share option outstanding account	-	-	-	-	3.27	3.27
Transfer to securities premium	8.63	-	-	-	(8.63)	-
Securities premium on issue of shares	15.28	-	-	-	-	15.28
	23.91	**-**	**-**	**-**	**(5.36)**	**18.55**
Balance as at March 31, 2021	**415.13**	**25.52**	**13.38**	**966.00**	**3.78**	**1,423.81**
Profit for the year ended March 31, 2022	-	-	-	287.13	-	**287.13**
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	0.45	-	**0.45**
Total comprehensive income for the year	**-**	**-**	**-**	**287.58**	**-**	**287.58**
Allocations/Appropriations :						
Share option outstanding account	-	-	-	-	1.69	1.69
Issue of bonus shares (see note 15(a)(viii))	(24.98)	-	-	-	-	(24.98)
Transfer to Securities premium	3.90	-	-	-	(3.90)	-
Securities premium on issue of shares	6.93	-	-	-	-	6.93
	(14.15)	**-**	**-**	**-**	**(2.21)**	**(16.36)**
Balance as at March 31, 2022	**400.98**	**25.52**	**13.38**	**1,253.58**	**1.57**	**1,695.03**

See accompanying notes to the standalone financial statements 1-46

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

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

(₹ in crore)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities			
Profit before tax		385.08	205.01
Adjustments for:			
Depreciation and amortisation expense		71.14	68.18
Loss / (gain) on sale of property, plant and equipment (net)		0.45	(0.11)
Finance costs		37.21	54.89
Interest income on fixed deposits		(11.94)	(19.29)
Interest income on others		(6.19)	(13.80)
Share based expenses		1.69	3.27
Provision for slow moving inventory of spares & consumables		1.00	0.81
Bad debts written off		0.25	-
Allowance / (write back) for doubtful trade receivables (expected credit loss allowance)		(0.52)	(1.21)
(Gain) / loss on derivatives measured at fair value through profit & loss account		(0.28)	0.20
Net unrealized foreign exchange loss / (gain)		0.75	(2.30)
Government grant income		(5.79)	(7.35)
Other non-cash items		(0.33)	-
Operating profit before working capital changes		**472.52**	**288.30**
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(124.49)	39.08
Trade receivables		(240.53)	220.97
Current loans and other financial assets		(2.75)	15.77
Non-current loans and other financial assets		(0.60)	(31.15)
Other current assets		7.52	(11.67)
Other non-current assets		0.91	0.06
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		200.98	109.37
Other current liabilities		(8.68)	23.91
Other current financial liabilities		(0.11)	0.06
Other non current liabilities		-	4.00
Other non current financial liabilities		0.07	0.07
Provisions (current & non-current)		0.60	0.51
Cash generated from operations		**305.44**	**659.28**
Income tax (paid)		(145.16)	(41.40)
Net cash flow from operating activities (A)		**160.28**	**617.88**
B. Cash flow from investing activities			
Capital expenditure on property, plant and equipment (including capital advances)		(58.53)	(112.67)
Proceeds from sale of property, plant and equipment		9.64	6.54
Investment in other companies		(0.92)	-
Proceeds from sale of mutual funds and investment (net)		-	0.04
Proceeds from disinvestment in subsidiary		19.75	-
Loan repayment from subsidiary		107.29	-
Investment in subsidiaries		(247.11)	(130.26)
Proceeds / (investment) in fixed deposits (net)		172.73	(340.26)
Interest received			
- fixed deposits		13.67	20.22
- others		4.76	11.31
Net cash flow from / (used in) investing activities (B)		**21.28**	**(545.08)**

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

(₹ in crore)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
C. Cash flow from financing activities			
Proceeds from non-current borrowings		100.00	175.00
Repayment of current borrowings (net)		(46.98)	(36.18)
Repayment of non-current borrowings		(153.64)	(212.54)
Proceeds from issue of equity share capital		7.03	15.39
Payment on account of lease liabilities		(0.58)	(0.52)
Finance costs		(35.85)	(49.61)
Net cash flow (used in) financing activities (C)		**(130.02)**	**(108.46)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		51.54	(35.66)
Cash and cash equivalents at the beginning of the year		3.19	38.85
Cash and cash equivalents at the end of the year	10	**54.73**	**3.19**
See accompanying notes to the standalone financial statements	1-46		

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

1(i) Company background

APL Apollo Tubes Limited (the Company) is a public limited Company incorporated in India on 24 February 1986 with its registered office at 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in the business of production of ERW steel tubes. The Company has five manufacturing units one each at a) Sikanderabad, Uttar Pradesh, b) Hosur, Tamilnadu, c) Raipur, Chhattisgarh, d) Murbad, Maharashtra and e) Chegunta, Telangana.

The standalone financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 13, 2022.

1(ii) Significant accounting policies

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

(a) Statement of compliance

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

(b) Basis of Preparation

The standalone financial statements have been prepared in confirmity 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.

(c) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(d) Use of estimates and critical accounting judgements

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

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

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

Deferred income tax assets and liabilities

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

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

Income Taxes

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

Fair value measurement of derivative and other financial instruments

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

Estimation of uncertainties relating to the global health pandemic from COVID-19

Post the outbreak of COVID-19, the Company has made an assessment of the likely adverse impact on economic environment in general and potential impact on its operations including the carrying values of its current and non current assets including goodwill, property, plant and equipment and other financial exposure. It has also evaluated its ability to meet the financial commitments of its lender etc. The Company as of the reporting date has used internal and external sources on the expected future performance of the Company and accordingly does not expect any long term adverse impact of COVID-19 on its ability to recover the carrying value of assets and meeting its financial obligations. However, given the nature of the COVID-19, the Company continues to monitor developments to identify and manage any significant uncertainties relating to its future economic outlook.

(e) 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.

(f) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(g) Revenue recognition

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

(i) Sale of goods

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

(iv) Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(h) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in the Statement of profit or loss on a systematic basis over the expected useful life of the related assets.

The grant which is received to compensate the import cost of assets subject to an export obligation as prescribed in the export promotion capital goods scheme is recognised as income in the statement of profit and loss linked to fulfilment of associated export obligations.

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

(i) 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 standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

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

Deferred tax assets include Minimum Alternate Tax (MAT) paid where applicable, in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deffered 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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 tangible 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 3 years.

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

Capital work-in-progress

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

Depreciation methods, estimated useful lives and residual value

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

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

(a) Buildings- 10 to 60 years

(b) Roads- 10 years

(c) Plant and machinery used in manufacturing of pipe 10-20 years

(d) Other plant and machinery- 2 to 10 years

(e) Vehicles- 8 years

(f) Furniture and fixtures- 10 years

(g) Office equipment- 2-5 years

(h) Computer & server- 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.

(o) 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.

(p) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(q) 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. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

(r) 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.

(s) 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.

(t) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

(u) 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 fund, 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, as reduced by fair value of plan assets (being the funded portion).

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a seperately administered fund.

(v) 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.

(w) 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.

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

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

A. Investments and other financial assets

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The classification criteria of the Company for debt and equity instruments is provided as under:

(a) Debt instruments

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

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

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

(b) Equity instruments

The equity instruments can be classified as:

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

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

(ii) Measurement

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

Debt instruments

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

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

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

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

Investment in equity shares

The Company subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The Company has equity investments in two entities which are not held for trading. The Company has elected the FVTOCI irrevocable option for both of these investments (see note 3(b)). Fair value is determined in the manner described in note 42.

(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 43 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 analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

B. Financial Liabilities

(i) Classification

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

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(ii) Measurement

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

Financial liabilities measured at fair value through profit or loss:

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

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

Financial liabilities measured at Amortized Cost :

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

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

(y) 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.

(z) 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.

(aa) 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 standalone 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. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

2(a) : Property, Plant and Equipment

(₹ in crore)

	As at March 30, 2022	As at March 30, 2021
Carrying amounts of :		
Freehold land	40.46	40.46
Building	192.24	194.68
Plant and machinery	630.08	617.40
Office equipments	1.59	1.45
Vehicles	11.74	12.56
Furniture and fixtures	3.55	4.23
Computers	1.88	1.67
	881.54	**872.45**

	Freehold Land	Building	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Computers	Total
Cost / Deemed cost								
As at April 1, 2020	**99.77**	**221.82**	**786.04**	**4.07**	**9.63**	**8.42**	**2.67**	**1,132.42**
Asset classified as held for sale (see note 2(f)(i))	(62.51)	-	-	-	-	-	-	(62.51)
Asset re-classified from Assets classified as held for sale (see note 2(f)(ii))	1.65	-	-	-	-	-	-	1.65
Additions	1.55	5.33	53.19	0.44	7.83	0.18	1.17	69.69
Sales / transfer during the year	-	(1.19)	(14.70)	-	(1.35)	-	-	(17.24)
Balance at March 31, 2021	**40.46**	**225.96**	**824.53**	**4.51**	**16.11**	**8.60**	**3.84**	**1,124.01**
Additions	-	6.05	79.81	0.73	1.35	0.34	0.80	89.08
Sales during the year	-	-	(15.17)	-	(0.85)	-	-	(16.02)
Balance at March 31, 2022	**40.46**	**232.01**	**889.17**	**5.24**	**16.61**	**8.94**	**4.64**	**1,197.07**
Accumulated depreciation								
As at April 1, 2020	-	23.66	161.82	2.54	3.32	3.22	1.61	196.17
Elimination on disposal of assets	-	(0.84)	(8.64)	-	(1.25)	-	-	(10.73)
Depreciation expense	-	8.46	53.95	0.52	1.48	1.15	0.56	66.12
Balance at March 31, 2021	**-**	**31.28**	**207.13**	**3.06**	**3.55**	**4.37**	**2.17**	**251.56**
Elimination on disposal of assets	-	-	(4.75)	-	(0.72)	-	-	(5.47)
Depreciation expense	-	8.49	56.71	0.59	2.04	1.02	0.59	69.44
Balance at March 31, 2022	**-**	**39.77**	**259.09**	**3.65**	**4.87**	**5.39**	**2.76**	**315.53**
Net carrying value								
Balance at March 31, 2021	**40.46**	**194.68**	**617.40**	**1.45**	**12.56**	**4.23**	**1.67**	**872.45**
Balance at March 31, 2022	**40.46**	**192.24**	**630.08**	**1.59**	**11.74**	**3.55**	**1.88**	**881.54**

Notes :-

(1) Property, plant and equipment as detailed in note 2(a) have been pledged as security for term loans taken as at March 31, 2022. See note 16 & 21 for loans taken against which these assets are pledged.

(2) See note 46(a) for the details of immovable property not held in name of the Company.

2(b) Capital work in progress

(₹ in crore)

Particulars	Building	Plant and machinery	Total
As at April 1, 2020	**3.09**	**3.15**	**6.24**
Add : Additions during the year	7.22	97.95	105.17
Less : Transfer to property, plant and equipment (see note 2(a))	(5.33)	(53.19)	(58.52)
Closing balance as at March 31, 2021	**4.98**	**47.91**	**52.89**
Add : Additions during the year	3.36	72.55	75.91
Less : Transfer to property, plant and equipment (see note 2(a))	(6.05)	(79.81)	(85.86)
Closing balance as at March 31, 2022	**2.29**	**40.65**	**42.94**

See note 46(b) for ageing of capital work in progress.

2(c) Right of use assets and lease liabilities

(₹ in crore)

Particulars	Category of ROU Asset		Total
	Land	Building	
As at April 1, 2020	17.83	0.63	18.46
Amortisation	(0.36)	(0.54)	(0.90)
Balance as at March 31, 2021	**17.47**	**0.09**	**17.56**
Additions	-	1.09	1.09
Amortisation	(0.36)	(0.54)	(0.90)
Balance as at March 31, 2022	**17.11**	**0.64**	**17.75**

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 44-90 years for land and 3 years for building respectively. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the standalone statement of Profit and Loss.

(ii) Above ROU assets have been pledged as security for term loans taken as at March 31, 2022. See note 16 & 21 for loans taken against which these assets are pledged.

(iii) ROU asset includes leasehold land located at Murbad, Maharashtra having gross carrying value of ₹1.44 crores (March 31, 2021 : ₹1.44 crores) (net carrying value of ₹1.06 crore as at March 31, 2022, March 31, 2021 : ₹1.08 crore), the title deeds of whose is in the name of Lloyd Line Pipe Limited (LLPL). LLPL was merged with the Company in earlier year under section 230 and section 232 of the Companies Act, 2013 in terms of approval of Hon' National Company Law Tribunal, Principal bench, New Delhi and the land is pending transfer in the name of the Company post merger. The Company is holding the property since September 26, 1994.

(iv) The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021 :

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liability	0.61	0.08
Non-current lease liability	0.01	-
Total	**0.62**	**0.08**

(v) The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021 :

(₹ in crore)

Particulars	As at March 31, 2022	Year ended March 31, 2021
Balance at the beginning	0.08	0.60
Additions	1.09	-
Finance cost accrued during the year	0.03	0.06
Payment of lease liabilities	(0.58)	(0.58)
Balance at the end	**0.62**	**0.08**

(vi) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis :

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	0.58	0.10
One to five years	0.10	-
More than five years	-	-
Total	**0.68**	**0.10**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases is ₹4.98 crore for the year ended March 31, 2022 (March 31, 2021 : ₹5.02 crore).

Rental income on assets given on operating lease to subsidiary is ₹0.31 crores for the year ended March 31, 2022 (March 31, 2021).

2(d) Investment property

(₹ in crore)

	Investment property
Cost / deemed cost	
As at April 1, 2020	-
Additions	-
Balance at March 31, 2021	-
Additions	
Assets re-classified from Asset classified as held for sale (see note 2(f) below)	62.51
Balance at March 31, 2022	**62.51**
Accumulated depreciation	
As at April 1, 2020	-
Charge for the year	-
Balance at March 31, 2021	-
Charge for the year	-
Balance at March 31, 2022	**-**
Net carrying value	
As at April 1, 2020	-
Charge for the year	-
Balance at March 31, 2021	-
Charge for the year	-
Assets re-classified from Asset classified as held for sale (see note 2(f) below)	62.51
Balance at March 31, 2022	**62.51**

2(e) Intangible Assets

(₹ in crore)

	Computer Softwares
Cost / deemed cost	
As at April 1, 2020	5.53
Additions	0.29
Disposal	-
Balance at March 31, 2021	**5.82**
Additions	0.24
Disposal	-
Balance at March 31, 2022	**6.06**
Amortisation	
As at April 1, 2020	3.14
Amortisation expense	1.06
Elimination on disposal	-
Balance at March 31, 2021	**4.20**

2(e) Intangible Assets (Contd.)

(₹ in crore)

	Computer Softwares
Amortisation expense	0.80
Elimination on disposal	-
Balance at March 31, 2022	**5.00**
Net carrying value	
Balance at March 31, 2021	**1.62**
Balance at March 31, 2022	**1.06**

2(f) Asset classified as held for sale

(₹ in crore)

	Land
As at April 1, 2020	**1.65**
Assets classified as held for sale (see note (i) below)	62.51
Assets re-classified to property, plant and equipment during the year (see note (ii) below)	(1.65)
Balance at March 31, 2021	**62.51**
Addition during the year	-
Assets re-classified to investment property during the year (see note (i) below)	(62.51)
Balance at March 31, 2022	**-**

Note :

(i) As at March 31, 2021, the management had intended to sell / transfer a parcel of land to its subsidiary Company which it no longer planned to utilise. As at March 31, 2021, Assets classified as held for sale consists of plot of land whose fair valuation was ₹64.26 crore. The valuation was performed by Government of India approved valuer M/s. Bestech Consultants Private Limited. The fair value measurement categorised as a level 3 fair value based on the inputs of the valuation technique used. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. No impairment loss was recognised in reclassification of the land as asset held for sale as the Directors, based on valuation report, of the Company expected that the fair value less cost to sell is higher than the carrying amount.

During the current year, the Company, instead of selling the said land to its subsidiary company, has decided to lease out the same land on long term basis to APL Apollo Building Products Private Limited (a wholly owned subsidiary) and accordingly reclassified the land to Investment Property. Fair valuation of land is ₹63.07 crores. The valuation was performed by Government of India approved valuer M/s. Bestech Consultants Private Limited. The fair value measurement categorised as a level 3 fair value based on the inputs of the valuation technique used. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

(ii) As at April 1, 2020, Assets classified as held for sale consisted of plot of land whose fair valuation was ₹2.20 crore. The valuation was performed by Government of India approved valuer Mr. Virender Kumar Jain. The fair value measurement categorised as a level 3 fair value based on the inputs of the valuation technique used. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

In previous year ended March 31, 2021, considering the market conditions, management expected that the land would not be sold in a distant future. Accordingly, the land in previous year ceased to be classified as Asset held for sale and was reclassified to Property, plant and equipment.

3 Investment (Non-current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
3(a)	**Investment in wholly owned subsidiaries - (unquoted, fully paid) :**		
(i)	2,711,100 (March 31, 2021: 2,711,100) equity shares of ₹10 each fully paid up in Apollo Metalex Private Limited - at fair value (see note (i) below)	132.78	132.78
(ii)	5,895,000 (March 31, 2021: 5,895,000) equity shares of ₹10 each fully paid up in Shri Lakshmi Metal Udyog Limited - at fair value (see note (i) below)	223.41	223.41
(iii)	23,511 (March 31, 2021: 16,875) equity shares of ₹10 each fully paid up in Blue Ocean Projects Private Limited - at cost (see note (ii) below)	57.83	40.79
(iv)	1.00 (March 31, 2021 : 11) equity share of AED 1,000,000 each fully paid up in APL Apollo Tubes FZE - at cost (see note (iii) below)	1.90	21.65
(v)	260,000,000 (March 31, 2021: 105,697,500) equity shares of ₹10 each fully paid up in APL Apollo Building Products Private Limited - at cost (see note (iv) below)	260.00	105.70
(vi)	100,000 (March 31, 2021: Nil) equity shares of ₹10 each fully paid up in APL Apollo Mart Limited - at cost (see note (v) below)	0.10	-
	Sub Total	**676.02**	**524.33**

3 Investment (Non-current) (Contd.)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
3(b)	**Investment in wholly owned subsidiaries - (unquoted, fully paid, pending allotment):**		
(i)	75,660,774 (March 31, 2021: Nil) equity shares of ₹10 each in APL Apollo Mart Limited - at cost (see note (v) below)	75.66	-
	Sub Total	75.66	-
	Total (3(a) + 3(b))	**751.68**	**524.33**

Notes :

(i) The Company in previous year ended March 31, 2018 measured its investment in subsidiaries on the date of transition to Ind-AS (i.e. April 1, 2016) at their respective fair value and considered the same as its deemed cost. Accordingly the Company has recorded the investment in subsidiaries at their fair value for Apollo Metalex Private Limited at ₹132.78 crore (original cost ₹7.21 crore) and Shri Lakshmi Metal Udyog Limited at ₹223.41 crore (original cost ₹36.30 crore) aggregating to ₹356.19 crore (original cost of ₹43.51 crore).

(ii) The Company has during the year invested ₹17.05 crore (March 31, 2021 : ₹4.82 crore) in Blue Ocean Projects Private Limited by subscribing to 6,636 equity shares of ₹10 each at a premium of ₹25,678.47 each (March 31, 2021 : 1,875 shares of ₹10 each at a premium of ₹25,690.45 each).

(iii) The Company has during the year called back equity share capital against 10 equity shares of AED 1,000,000 each (₹19.75 crores). The Company in previous year had invested ₹19.75 crore in APL Apollo Tubes FZE by subscribing to 10 equity share of AED 1,000,000 each considering 1 AED equivalent to ₹19.75 each.

(iv) The Company has during the year invested ₹154.30 crore (March 31, 2021 : ₹105.69 crore) in APL Apollo Building Products Private Limited by subscribing to 154,312,500 equity shares (March 31, 2021 : 105,687,500 equity share) of ₹10 each.

(v) The Company has during the year invested ₹0.10 crore in APL Apollo Mart Limited by subscribing to 100,000 equity shares of ₹10 each. APL Apollo Mart Limited was incorporated on December 7, 2021. The Company has further paid ₹75.66 crores to subscribe to 75,660,774 equity shares of ₹10 each against the right issue. As at year end, the shares are pending allotment.

3(c) Investments in equity instruments carried at fair value through the other comprehensive income - (unquoted, fully paid) :

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	931,400 (March 31, 2021: 1,371,400) equity shares of ₹10 each fully paid up in Clover Energy Private Limited (see note (i) below)	0.93	1.37
(ii)	126,000 (March 31, 2021: 195) equity shares of ₹10 each fully paid up in AMPSOLAR Urja Private Limited (see note (ii) below)	0.13	0.01
	Sub Total	**1.06**	**1.38**

3(d) Investments in equity instruments carried at fair value through profit and loss account - (quoted, fully paid) :

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Investment in mutual fund of Union Hybrid Equity Fund - regular plan growth (March 31, 2022 : 99,985 units at NAV of ₹12.42 per unit) (March 31, 2021 : 99,895 units at NAV of ₹10.61 per unit)	0.21	0.10
	Sub Total	**0.21**	**0.10**

3(e) Investments in compulsory convertible debentures carried at cost - (unquoted, fully paid) :

	Particulars	As at March 31, 2022	As at March 31, 2021
(ii)	11,340 (March 31, 2021: Nil) compulsory convertible debentures of ₹1,000 each fully paid up in AMPSOLAR Urja Private Limited (see note (ii) below)	1.13	-
	Sub Total	**1.13**	**-**
	Total (3(c) + 3(d) + 3(e))	**2.40**	**1.48**
	Aggregate carrying value / book value of unquoted investment	**678.21**	**525.70**
	Aggregate carrying value / book value of quoted investment	**0.21**	**0.10**
	Market value of quoted investment	**0.21**	**0.10**

Notes :

(i) The Company holds 3.35 % (March 31, 2021 : 4.93 %) equity shares of Clover Energy Private Limited, a Company engaged in the business of providing solar energy to its customers.

(ii) The Company holds 3.91 % (March 31, 2021 : 19.50 %) equity shares of AMPSOLAR Urja Private Limited, a Company engaged in the business of providing solar energy to its cutomers.

4 Loans (Non-current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loans to subsidiary company (see note (i) below)	-	107.29
(b) Loans & advances to employees	0.42	-
Total	**0.42**	**107.29**

Notes :

(i) a) As at March 31, 2021, ₹100.00 crore was recoverable from a wholly owned subsidiary i.e. Shri Lakshmi Metal Udyog Limited. The loan was carrying interest of 8.5% p.a.The loan was given for the purpose of meeting its operational requirements. The Loan was repayable upto 5 years in tranches as and when funds are available with Shri Lakshmi Metal Udyog Limited. The maximum amount outstanding during the year ended March 31, 2021 was ₹100.00 crore. During the current year, the loan given has been paid back.

b) As at March 31, 2021, ₹0.16 crore was recoverable from a wholly owned subsidiary Company i.e. Blue Ocean Projects Private Limited, for the purpose of meeting its operational requirements. The loan was carrying interest of 8.5% p.a. The Loan was repayable upto 2 years as and when funds are available with Blue Ocean Projects Private Limited. The maximum amount outstanding during the year ended March 31, 2021 was ₹0.16 crore. During the year, the loan has been paid back.

c) As at March 31, 2021, the Company has paid a loan amounting to ₹7.13 crore carrying interest 8.5% p.a. to a wholly owned subsidiary viz. APL Apollo Building Products Private Limited for the purpose of meeting its operational requirements. The loan was repayable upto 2 years as and when funds are available with APL Apollo Building Products Private Limited. The maximum amount outstanding during the year ended March 31, 2021 was ₹7.13 crore. During the year, the loan has been paid back.

5 Other financial assets (Non-current)

(Unsecured)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claim receivable	0.32	0.37
Less : Provision created for doubtful claims receivable	0.27	0.27
	0.05	**0.10**
(b) Security deposit (considered good)	18.38	18.50
(c) Balance in marigin money with maturity of more than 12 months	0.08	0.03
Total	**18.51**	**18.63**

6 Non-current tax assets (net)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Advance income (net of provision as at March 31, 2022 : ₹181.71 crore) (March 31, 2021 : ₹85.41 crore)	53.63	5.23
Total	**53.63**	**5.23**

7 Other non-current assets

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Capital advances	25.48	44.61
(b) Prepaid expenses	3.01	3.29
(c) Value added tax (VAT) credit receivable	0.19	0.66
(d) Income tax deposit refundable	0.92	-
(e) Payment under protest (see note below)		
(i) Excise duty	0.25	0.25
(ii) Income tax	-	0.92
(iii) Value added tax	0.83	0.98
Total	**30.68**	**50.71**

Note :

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

8 Inventories

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Raw material (including stock-in-transit)	234.20	112.68
(b)	Finished goods (including stock-in-transit)	271.43	300.99
(c)	Stock in trade	5.46	4.17
(d)	Work in progress	138.61	100.64
(e)	Stores and spares	16.21	17.52
(f)	Rejection and scrap (including stock-in-transit)	7.97	14.39
	Total	**673.88**	**550.39**

Notes :

(i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to ₹8,140.78 crore (March 31, 2021 : ₹5,382.70 crore).

(ii) Details of stock-in-transit

(₹ in crore)

		As at March 31, 2022	As at March 31, 2021
	Raw material	0.92	8.43
	Finished goods	30.54	48.09
	Rejection and Scrap	1.27	1.91
(iii)	Raw material inventory lying with third party.	-	5.88
(iv)	Provision for slow moving inventory of stores & spares.	2.32	1.32

(v) The mode of valuation of inventories has been stated in note 1(ii)(m) of significant accounting policies.

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

9 Trade receivables (Current)

(Unsecured)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Considered good		
	(i) Related parties	58.97	-
	(ii) Other than related parties	269.00	87.18
	Sub total	**327.97**	**87.18**
(b)	Considered doubtful (other than related parties)	5.75	6.27
	Less: Allowance for trade receivables (expected credit loss allowance)	(5.75)	(6.27)
	Sub total	**-**	**-**
	Total	**327.97**	**87.18**

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

(₹ in crore)

Particulars	As at March 31, 2022
Customer A	58.33
Customer B	42.25
	100.58
% of total trade receivables	30.67%

There were no customers who represent more than 10% of the total balance of trade receivables as on March 31, 2021.

(ii) 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) Movements in expected credit loss is as below :

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	6.27	7.48
Provison (written back) / Charge in statement of profit and loss	(0.27)	(1.21)
Utilised during the year	(0.25)	-
Balance at the end of the year	**5.75**	**6.27**

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

(₹ in crore)

Particulars	As at March 31, 2022						
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	318.08	9.77	0.12	-	-	-	327.97
(c) Undisputed trade receivables - credit impaired	0.62	0.37	0.08	0.10	1.56	3.02	5.75
	318.70	**10.14**	**0.20**	**0.10**	**1.56**	**3.02**	**333.72**
Less : Allowance for credit losses							5.75
Net trade receivables							**327.97**

(₹ in crore)

Particulars	As at March 31, 2021						
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	81.20	5.89	0.09	-	-	-	87.18
(c) Undisputed trade receivables - credit impaired	0.30	0.28	0.61	1.53	0.08	3.47	6.27
	81.50	**6.17**	**0.70**	**1.53**	**0.08**	**3.47**	**93.45**
Less : Allowance for credit losses							6.27
Net trade receivables							**87.18**

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

(3) Ageing wise % of expected credit loss

Particulars	As at March 31, 2022	As at March 31, 2021
Not yet due	0.00 % to 0.37 %	0.00 % to 0.19 %
Less than six months	0.38 % to 4.54 %	0.20 % to 3.69 %
6 months- 1 year	4.55 % to 87.14 %	3.70 % to 39.44 %
1-2 years	100.00 %	100.00 %
2-3 years	100.00 %	100.00 %
More than 3 years	100.00 %	100.00 %

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

Note :

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

10 Cash and cash equivalents

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Cash on hand	0.17	0.12
(b)	Balances with banks - in current accounts	3.56	1.07
(c)	Balances with banks - in cash credit accounts (see note 21)	-	2.00
(d)	In fixed deposits with maturity of less than 3 months at inception	51.00	-
	Total	**54.73**	**3.19**

11 Bank balances other than cash and cash equivalents

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	In earmarked accounts		
	(i) unpaid dividend account	0.46	0.51
	(ii) Escrow account	1.00	-
	(iii) In fixed deposits with maturity of more than 3 months and less than 12 months at inception	167.10	340.79
	Total	**168.56**	**341.30**

12 Loans (Current)

(Unsecured, considered good)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Loans & advances to employees	1.02	1.11
	Total	**1.02**	**1.11**

13 Other financial assets (Current)

(Unsecured, considered good)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Interest accrued but not due on fixed deposits	1.93	1.18
(b)	Interest accrued and due on loans given	1.42	2.48
(c)	Derivative assets (net)	2.30	2.01
(d)	Export incentives receivable	3.67	4.12
(e)	Claim receivables	11.63	8.04
	Total	**20.95**	**17.83**

14 Other current assets

(Unsecured, considered good unless otherwise stated)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Advance to suppliers	83.37	73.13
	Less : Provision for doubtful advances	0.56	0.56
	Net advance to suppliers	82.81	72.57
(b)	Balances with government authorities		
	(i) Goods and services tax (GST) credit receivable	5.59	20.93
	(ii) Advance goods and service tax credit on import of goods	0.30	0.16
(c)	Advance to Related parties (see note below)	-	8.76
(d)	GST Refund Receivable	6.54	-
(e)	Prepaid expenses	1.43	1.77
	Total	**96.67**	**104.19**

Note :

During the previous year ended March 31, 2021, the Company had given advance towards purchase of raw materials amounting to ₹8.76 crores to a subsidiary viz. Apollo Tricoat Tubes Liimited. The material was received during the year.

15 Equity

15(a) Equity share capital

(₹ in crore)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Authorised capital				
Equity shares of ₹2 each (March 31, 2021 : ₹2 each) (see note (vii) below)	37,50,00,000	75.00	22,50,00,000	45.00
	37,50,00,000	**75.00**	22,50,00,000	45.00
Issued capital				
Equity shares of ₹2 each (March 31, 2021 : ₹2 each) (see note (vii) & (viii) below)	25,02,80,500	50.06	12,48,96,000	24.98
	25,02,80,500	**50.06**	**12,48,96,000**	**24.98**
Subscribed and fully paid up capital				
Equity shares of ₹2 each (March 31, 2021 : ₹2 each) (see note (vii) & (viii) below)	25,02,80,500	50.06	12,48,96,000	24.98
	25,02,80,500	**50.06**	**12,48,96,000**	**24.98**

(i) Reconciliation of the number of shares and amount outstanding as at March 31, 2022 and March 31, 2021 :

(₹ in crore)

Particulars	Number of shares		Amount	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022 (₹ in crore)	As at March 31, 2021 (₹ in crore)
Equity share capital				
Outstanding at the beginning of the year	12,48,96,000	2,48,69,015	24.98	4.97
Add: Issued of shares under Company's employee stock option plan (see note 39(d))	4,88,500	5,50,925*	0.10	0.11
Add: Increase in the number of shares on account of share split (see note (vii) below)	-	9,94,76,060	-	19.90
Add: Increase in the number of shares on account of bonus issue (see note (viii) below)	12,48,96,000	-	24.98	-
Outstanding at the end of the year	**25,02,80,500**	**12,48,96,000**	**50.06**	**24.98**

*before bonus issue during the current year.

(ii) Rights, Preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹2 each (March 31, 2021 : ₹2 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Infrastructure Private Limited	7,80,00,000	31.17%	4,05,00,935	32.43%
Kitara PIIN 1001	1,89,05,648	7.55%	98,38,300	7.88%
SmallCap World Fund INC	1,53,14,090	6.12%	55,23,149	4.42%

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

Name of promoter	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
APL Infrastructure Private Limited	7,80,00,000	31.17%	4,05,00,935	32.43%
Sanjay Gupta	3,50,000	0.14%	1,75,000	0.14%
Veera Gupta	54,20,000	2.17%	29,10,000	2.33%
Rahul Gupta	15,01,000	0.60%	15,01,000	1.20%
Rohan Gupta	11,25,000	0.45%	11,25,000	0.90%
Total	**8,63,96,000**	**34.52%**	**4,62,11,935**	**37.00%**

(v) Change in shares held by promoters during the current year

Name of promoter	Increase / (decrease) in sharholding
APL Infrastructure Private Limited	(1.26)%
Sanjay Gupta	-
Veera Gupta	(0.16)%
Rahul Gupta	(0.60)%
Rohan Gupta	(0.45)%

*Promoter means promoter as defined in the Companies Act, 2013.

(vi) Share options granted under the Company's employee share options plans

As at March 31, 2022, executives and senior employees held options over 387,500 equity shares of ₹2 each of the Company. (March 31, 2021 : 438,000 equity shares of ₹2 each) (see note (vii) & (viii) below). Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in note 39.

(vii) The Board of Directors at their meeting held on October 28, 2020 approved the sub-division of each equity share of face value of ₹10 each fully paid up into 5 equity shares of face value of ₹2 each fully paid up. The same was approved by the members on December 3, 2020 through postal ballot and e-voting. The effective date of sub-division was December 16, 2020.

(viii) The Board of Directors in its meeting held on August 6, 2021 have recommended for approval by shareholders, bonus issue of 1 (one) equity share of ₹2 each for every 1 (one) equity shares of ₹2 each held by shareholders of the Company as on the record date, subject to approval of the shareholders.

Pursuant to the approval of the shareholders through postal ballot (including remote e-voting), the Company alloted 124,896,000 bonus equity shares of ₹2 each as fully paid-up bonus equity shares, in the proportion of 1 (One) equity share of ₹2 each for every 1 (One) existing equity shares of ₹2 each to the equity shareholders of the Company as on record date of September 18, 2021. Consequently, the Company capitalised a sum of ₹24.98 crores from 'other equity'(securities premium) to 'equity share capital'.

The earning per share has been adjusted for bonus issue for previous year presented. (see note 36)

15(b) Other equity

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
	Securities premium	400.98	415.13
	General reserve	25.52	25.52
	Capital Reserve	13.38	13.38
	Retained earnings	1,253.58	966.00
	Share option outstanding account	1.57	3.78
	Total	**1,695.03**	**1,423.81**
(1)	**Securities premium**		
	Balance at the beginning of the year	415.13	391.22
	Less: Utilised on account of issue of bonus shares (see note 15(a)(viii))	(24.98)	-
	Add: Issue of shares under Company's employee stock option plan	10.83	23.91
	Balance at the end of the year	**400.98**	**415.13**
(2)	**General reserve**		
	Balance at the beginning of the year	25.52	25.52
	Balance at the end of the year	**25.52**	**25.52**
(4)	**Capital reserve**		
	Balance at the beginning of the year	13.38	13.38
	Balance at the end of the year	**13.38**	**13.38**
(5)	**Retained earnings**		
	Balance at the beginning of the year	966.00	811.11
	Add : Total comprehensive income for the year	287.58	154.89
	Balance at the end of the year	**1,253.58**	**966.00**

15(b) Other equity (Contd.)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(6)	**Share option outstanding account**		
	Balance at the beginning of the year	3.78	9.14
	Add : Addition during the year	1.69	3.27
	Less : Transfer to Securities premium reserve	(3.90)	(8.63)
	Balance at the end of the year	**1.57**	**3.78**

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 Indian 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) Capital reserve : The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as capital reserve. The reserve is not available for distribution.

(iv) 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.

(v) Share option outstanding account : The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share option outstanding account is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme. (see note 39)

16 Borrowings (Non-current)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Term Loan:		
- From banks		
(i) Secured (see note (i) below)	72.40	124.48
- From others (unsecured)		
(i) Working capital facilities (see note (ii) below)	100.00	100.00
Total	**172.40**	**224.48**

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrow-ings	Current borrow-ings	Non current borrow-ings	Current borrow-ings
(i) Term loan from banks are secured as follows:				
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 15 quarterly instalments commencing from April 2021 and ending in October 2024. Applicable rate of interest is 5.58 % (March 31, 2021 : 7.75%).	19.45	11.11	30.56	11.11

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrow-ings	Current borrow-ings	Non current borrow-ings	Current borrow-ings
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 15 quarterly instalments commencing from April 2021 and ending in October 2024. Applicable rate of interest is 5.58 % (March 31, 2021 : 7.75%)	38.89	22.22	61.11	22.22
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 11 quarterly instalments commencing from June 2021 and ending in December 2023. Applicable rate of interest is 4.15%. Closing balance of loan as on March 31, 2022 is USD 4,603,002 (March 31, 2021 : USD 7,233,289) equivalent to ₹34.88 crore (March 31, 2021 : ₹52.88 crore).	14.06	20.82	32.81	20.07
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding was repayable in one instalment in June 2021. During the year, loan has been fully repaid. Applicable rate of interest is 7.65%.	-	-	-	1.57

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
(ii) Working capital facilities from others are as follows:				
During the year, the Company has taken unsecured loan from Apollo Tricoat Tubes Limited, subsidiary Company for meeting its operational working capital requirements. Loan is repayable upto 15 months as and when funds are available with Company. Applicable rate of interest is 5.50 % p.a as at March 31, 2022.	100.00	-	-	-
During the previous year, the Company had taken unsecured loan from Apollo Metalex Private Limited, the wholly owned subsidiary Company for meeting its operational working capital requirements. Loan was repayable upto 5 years as and when funds are available with Company. During the current year, loan has been fully repaid. Applicable rate of interest was 8.50 % p.a as at March 31, 2021.	-	-	100.00	-
Total	**172.40**	**54.15**	**224.48**	**54.97**

17 Other financial liabilities (Non-current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Deferred payment (see note below)	0.85	0.78
	Total	**0.85**	**0.78**

Note :

(i) The Company has a deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in the year ending March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan is estimated at ₹0.85 crore as on March 31, 2022 (March 31, 2021 : ₹0.78 crore). The difference of ₹0.20 crore (March 31, 2021 : ₹0.27 crore) between the gross proceeds and the fair value of the loan is the benefit derived from the interest free deferred liability and is recognised as deferred income. (See note 20 & 24)

18 Provisions (Non-current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Provision for compensated absences	4.37	3.70
(b)	Provision for gratuity (see note 38)	6.75	7.99
	Total	**11.12**	**11.69**

19 Deferred Tax Liabilities (net)

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

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	**Deferred Tax Liabilities on account of**		
	- Property, plant and equipments and other intangible assets	79.83	77.88
	- Acquired on business combination	3.17	3.40
	- Financial Assets (Transaction cost on loans)	0.03	0.05
	- Others	0.41	0.34
	Total deferred tax liabilities (A)	**83.44**	**81.67**
(ii)	**Deferred Tax Assets on account of**		
	- Provision for expected credit loss allowance	1.45	3.70
	- Provision for employee benefit expenses	3.80	1.58
	Total deferred tax assets (B)	**5.25**	**5.28**
	Disclosed as Deferred Tax Liabilities (Net - A-B)	**78.19**	**76.39**

(b) Movement in deferred tax liabilities / asset	As at April 1, 2020	(Profit) / Loss Recognised in profit or loss	Deferred tax expense of earlier year	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2021
Deferred Tax Liabilities (A)					
Property, plant and equipments and other intangible assets	73.83	3.30	0.75	-	77.88
Acquired on business combination	3.58	(0.18)	-	-	3.40
Fair Valuation of transaction cost	0.07	(0.02)	-	-	0.05
Others	-	0.34	-		0.34
Total	**77.48**	**3.44**	**0.75**	**-**	**81.67**
Deferred Tax Assets (B)					
Provision for employee benefit expenses	3.33	0.75	-	(0.38)	3.70
Provision for expected credit loss allowance	1.88	(0.30)	-	-	1.58
Others	0.11	(0.11)	-	-	0.00
Total	**5.33**	**0.34**	**-**	**(0.38)**	**5.28**
Deferred tax liabilities (Net - A-B)	**72.16**	**3.10**	**0.75**	**0.38**	**76.39**

Movement in deferred tax liabilities / asset	As at April 1, 2021	(Profit) / Loss Recognised in profit or loss	Deferred tax expense of earlier year	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2022
Deferred Tax Liabilities (A)					
Property, plant and equipments and other intangible assets	77.88	1.95	-	-	79.83
Acquired on business combination	3.40	(0.23)	-	-	3.17
Fair Valuation of transaction cost	0.05	(0.02)	-	-	0.03
Others	0.34	0.07	-	-	0.41
Total	**81.67**	**1.77**	**-**	**-**	**83.44**
Deferred Tax Assets (B)					
Provision for employee benefit expenses	3.70	0.25	-	(0.15)	3.80
Provision for expected credit loss allowance	1.58	(0.13)	-	-	1.45
Total	**5.28**	**0.12**	**-**	**(0.15)**	**5.25**
Deferred tax liabilities (Net - A-B)	**76.39**	**1.65**	**-**	**0.15**	**78.19**

20 Other Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Deferred income - government grant for		
- Purchase of equipment (see note (i) below)	49.27	48.57
- deferred liability related to sales tax (see note (ii) below)	0.13	0.20
Total	**49.40**	**48.77**

Note :

(i) Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. The income is recognised in Profit or loss on a straight line basis over the useful life of the related assets. (see note 37(b)(2)).

(ii) The Company has a deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in the year ending March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan is estimated at ₹0.85 crore as on March 31, 2022 (March 31, 2021 : ₹0.78 crore). The difference of ₹0.20 crore (March 31, 2021 : ₹0.27 crore between the gross proceeds and the fair value of the loan is the benefit derived from the interest free deferred liability and is recognised as deferred income.

21 Borrowings (Current)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loan repayable on demand		
- From banks (Secured)		
(i) Working capital facilities (see note (i) below)	161.44	208.42
(b) Current Maturity of non current borrowings (see note 16)	54.16	54.97
Total	**215.60**	**263.39**

Nature of security :

(i) Working capital facilities of APL Apollo Tubes Limited from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255.

Working capital facilities are further secured by second charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.

22 Trade payables (Current)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Total outstanding dues of micro enterprises and small enterprises (see note 46(c))	5.26	3.85
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	891.44	693.02
Total	**896.70**	**696.87**

Outstanding for following periods from date of transaction :

Particulars	As at March 31, 2022					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	5.26	-	-	-	5.26
Total outstanding dues of creditors other than MSME	63.56	826.58	0.37	-	0.93	891.44
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	63.56	**831.84**	**0.37**	**-**	**0.93**	**896.70**

Outstanding for following periods from date of transaction :

Particulars	As at March 31, 2021					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	3.85	-	-	-	3.85
Total outstanding dues of creditors other than MSME	68.18	623.24	0.22	-	1.38	693.02
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	68.18	**627.09**	**0.22**	**-**	**1.38**	**696.87**

23 Other financial liabilities (Current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Security deposits payable	0.94	1.00
(b)	Payable on purchase of property, plant and equipment	2.29	5.24
(c)	Retention money payable	3.34	1.85
(d)	Unclaimed dividends	0.47	0.51
(e)	Interest accrued but not yet due on borrowings	1.15	2.61
	Total	**8.19**	**11.21**

24 Other current liabilities

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Statutory remittances	5.94	3.39
(b)	Advance from customers	18.16	29.40
(c)	Deferred income (see note 20)		
	- Purchase of equipment	3.20	2.99
	- Deferred liability related to sales tax	0.07	0.07
	Total	**27.37**	**35.85**

25 Provisions (Current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Provision for compensated absences	0.30	0.20
(b)	Provision for gratuity (see note 38)	0.51	0.37
	Total	**0.81**	**0.57**

26 Current tax liabilities (net)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Provision for tax net of advance tax of ₹47.36 crores (March 31, 2021 : net of advance tax ₹46.90 crore)	0.56	1.02
	Total	**0.56**	**1.02**

27 Revenue from operations

(₹ in crore)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Sale of products (see note (i) below)	8,772.72	5,815.93
(b)	Other operating revenue (see note (ii) below)	289.68	192.03
	Total	**9,062.40**	**6,007.96**

Notes :

(i) Reconciliation of revenue recognised with contract price :

(₹ in crore)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Contract price	8,965.41	5,973.99
	Adjustments for:		
	Discount & incentives	(192.69)	(158.06)
	Revenue from operations	**8,772.72**	**5,815.93**
(ii)	**Other operating revenue comprises**		
	Sale of scrap	286.38	189.00
	Export incentives	3.30	3.03
		289.68	**192.03**

28 Other income

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest income on fixed deposit	11.94	19.29
(b) Interest income on others	6.19	13.80
(c) Profit on sale of property, plant and equipment (net)	-	0.11
(d) Gain on foreign currency transactions (net)	8.77	1.43
(e) Profit on derivatives measured at fair value through profit & loss account	0.28	-
(f) Provision written back for expected credit loss	0.27	1.21
(g) Miscellaneous income (see note below)	7.57	8.27
Total	**35.02**	**44.11**

Note :

Miscellaneous income includes (a) unwinding of deferred income of ₹2.97 crores (March 31, 2021 : ₹2.68 crores), (b) Subvention interest income on export packing credit facilities of ₹2.82 crores (March 31, 2021 : ₹4.67 crores) and (c) Other miscellaneous income of ₹1.78 crores (March 31, 2021 : ₹0.92 crores).

29 Cost of materials consumed

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories of raw material as at the beginning of the year	112.68	172.51
Add: Purchases during the year	7,100.67	4,415.21
Less: Inventories of raw material as at the end of the year	234.20	112.68
Total	**6,979.15**	**4,475.04**

30 Change in inventories

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year:		
(a) Finished goods	271.43	300.99
(b) Stock in trade	5.46	4.17
(c) Work in progress	138.61	100.64
(d) Rejection and scrap	7.97	14.39
	423.47	420.19
Inventories at the beginning of the year:		
(a) Finished goods	300.99	305.03
(b) Stock in trade	4.17	-
(c) Work in progress	100.64	88.80
(d) Rejection and scrap	14.39	6.12
	420.19	**399.95**
Total	**(3.28)**	**(20.24)**

31 Employee benefits expense

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	88.59	72.37
(b) Contribution to provident fund (see note 38)	3.35	3.00
(c) Gratuity expense (see note 38)	1.95	1.89
(d) Share-based payments to employees (see note 35(a) & 39)	1.66	3.27
(e) Staff welfare expenses	2.04	1.53
	97.59	**82.06**
(f) Less: Allocation of common employee benefits expenses (see note 35(b))	9.17	5.94
Total	**88.42**	**76.12**

During the year, the Company recognised an amount of ₹7.86 crore (Year ended March 31, 2021 ₹6.31 crore) as remuneration to key managerial personnel. The details of such remuneration is as below :-

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Short term employee benefits	7.50	6.00
(ii) Post employment benefits (Gratuity expense)	0.20	0.17
(iii) Other long term employee benefits (Leave encashment expense)	0.16	0.14
	7.86	**6.31**

32 Finance costs

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense :		
(i) working capital facilities	21.92	29.23
(ii) term loan	10.46	21.73
(iii) delayed payment of income tax	-	0.54
(iv) on leases	0.03	0.06
	32.41	**51.56**
(b) Other borrowing cost	4.80	3.33
Total	**37.21**	**54.89**

33 Depreciation and amortisation expense

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation on property, plant and equipment (see note 2(a))	69.44	66.12
(b) Amortisation on right of use assets (see note 2(b))	0.90	0.90
(c) Amortisation on intangible assets (see note 2(c))	0.80	1.06
(d) Depreciation on capital work in progress	-	0.10
Total	**71.14**	**68.18**

34 Other expenses

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Freight outward	253.41	176.29
(b) Power and fuel	65.14	43.64
(c) Consumption of stores and spare parts	41.68	33.85
(d) Derivatives measured at fair value through profit & loss account	-	0.20
(e) Advertisement and sales promotion	34.48	22.38
(f) Rent	4.98	5.02
(g) Travelling and conveyance	6.00	2.78
(h) Legal and professional charges (see note (i) below)	6.16	4.27
(i) Repair and maintenance:		
(i) Building	0.27	0.10
(ii) Plant and machinery	5.21	3.31
(iii) Others	1.53	1.16
(j) Rates and taxes	1.87	2.25
(k) Security services	1.96	1.75
(l) Allowance for doubtful advances	-	0.56
(m) Allowance for doubtful claims receivable	-	0.27
(n) Bad debts written off	0.25	-
(o) Loss on sale of property, plant and equipment (net)	0.45	-
(p) Corporate social responsibility (see note 46(d))	3.07	2.56
(q) Provision for slow moving inventory of spares & consumables	1.00	0.81
(r) Insurance	1.38	1.49
(s) Management support services	0.60	0.31
(t) Miscellaneous expenses	5.26	5.41
	434.70	**308.41**
(u) Less: Allocation of common expenses (see note 35(b))	18.22	9.38
Total	**416.48**	**299.03**

	Note :-		
(i)	**Legal and professional charges include auditor's remuneration (excluding indirect taxes) as follows :**		
	(a) To statutory auditors		
	For audit (including quarterly limited reviews)	1.20	0.90
	For other services	0.01	0.01
	Reimbursement of expenses	0.01	0.01
	Total	**1.22**	**0.92**
	(b) To cost auditors for cost audit	0.02	0.02
	Total	**0.02**	**0.02**

35 Allocation of common expenses

(a) The Company has charged back the Share based expenses to employees (included under Employee benefits expense in note 31) incurred by it to its group companies on cost i.e. on cost to cost basis. The allocation of common expenses has been carried out on the basis of share options held of the Company by employees of the respective companies.

(b) The Company has charged back the common expenses (included under Employee benefits expense in note 31 & Other expenses in note 34) incurred by it to its group companies on cost i.e. on cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of the respective companies, as per latest financial statements / results.

36 Earnings per Equity share

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

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share	287.13	153.78
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	24,99,18,500	24,91,50,536
Adjustments for calculation of diluted earnings per share (Employee stock option) (Number)	3,87,500	8,76,000
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	25,03,06,000	25,00,26,536
Nominal value of equity shares (see note 15(a)(viii))	2.00	2.00
(a) Basic earnings per share in Rupees	11.49	6.17
(b) Diluted earnings per share in Rupees	11.47	6.15

In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended March 31, 2022 and March 31, 2021 has been arrived at after giving effect to the above sub-division and bonus issue. Also see note 15(a)(vii) & 15(a)(viii).

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

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Contingent liabilities (for pending litigations)		
(1) Disputed claims/levies in respect of sales tax:		
- Reversal of input tax credit	6.16	7.44
- Provisional Assessment	1.77	1.77
	7.93	**9.21**
(2) Disputed claims/levies in respect of excise duty:		
- Excise demand on excess / shortages	6.34	6.34
	6.34	**6.34**
(3) Disputed claims/levies in respect of service tax:		
- Availability of input credit	0.94	0.94
(4) Disputed claims/levies in respect of income tax	-	3.40
(5) Contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952 (see note (ii) below)	-	-
Total	**15.21**	**19.89**

(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 standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially effect on its standalone financial statements.

(b) Commitments

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

(i) Property, plant and equipments	57.08	89.65

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

The export obligation is to be fulfilled within a period of 6 years from the date of issuance of license. Under this scheme the Company has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Company is required to export of FOB value of ₹106.76 crore (March 31, 2021 ₹117.79 crore) against which the Company has saved a duty of ₹17.80 crore (March 31, 2021 ₹19.63 crore).

(3) The Company has entered in Power Supply Agreement with a Vendor. As per agreement, the Company is required to draw an 'Annual Contracted Quantity' of 55 Lacs KWH for a period of 5 years having estimated power purchase price of ₹3.08 crore (March 31, 2021 : ₹3.08 crore).

(4) The Company has given corporate guarantees on behalf of its subsidiaries i.e. Apollo Metalex Private Limited, Shri Lakshmi Metal Udyog Limited, Apollo Tricoat Tubes Limited and APL Apollo Building Products Private Limited for loans and credit facilities taken by them from banks and financial institutions. The loan outstanding as at March 31, 2022 of Apollo Metalex Private Limited is ₹3.65 crore (March 31, 2021 ₹70.43 crore), Shri Lakshmi Metal Udyog Limited is ₹1.20 crore (March 31, 2021 ₹Nil crore), Apollo Tricoat Tubes Limited is ₹48.99 crore (March 31, 2021 ₹62.03 crore) and APL Apollo Building Products Private Limited is ₹238.74 crores (March 31, 2021 ₹Nil crore).

(5) 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 other long term commitments or material non-cancellable contractual commitments /contracts, including derivative contracts for which there were any material foreseeable losses.

(c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

38 Employee benefit obligations

Particulars	As at March 31, 2022		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.51	6.75	7.26
Total employee benefit obligations	**0.51**	**6.75**	**7.26**

Particulars	As at March 31, 2021		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.37	7.99	8.36
Total employee benefit obligations	**0.37**	**7.99**	**8.36**

(a) Defined benefit plans

a) Gratuity

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 ₹0.20 crore (March 31, 2021 ₹0.20 crore). Vesting occurs upon completion of 5 years of service.

During the year, the Company has made contribution of ₹2.50 crore (March 31, 2021 : ₹1.00 crore) to APL Apollo Tubes Limited Employees Group Gratuity Trust which has made further contribution to Kotak Mahindra Life Insurance Co. Ltd.

(b) Defined contribution plans

The Company makes provident fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹3.35 crore (Year ended March 31, 2021 ₹3.00 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.

(c) Movement of defined benefit obligation :

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

(₹in crore)

Particulars	Gratuity
Opening balance as at April 1, 2020	**10.04**
Current service cost	1.26
Interest expense	0.68
Expected return on plan assets	(0.05)
Total amount recognised in profit or loss	**1.89**
Add / (less): transfer to subsidiary (note (i) below)	(0.09)
Remeasurements	
Effect of change in financial assumptions	(0.42)
Effect of change in demographic assumptions	-
Effect of experience adjustments	(1.08)
Changes in asset ceiling	0.01
Total amount recognised in other comprehensive income	**(1.49)**
Employer contributions : benefit payments	(0.60)
Balance as at March 31, 2021	**9.75**
Balance as at March 31, 2021	**9.75**
Current service cost	1.36
Interest expense/(income)	0.69
Expected return on plan assets	(0.10)
Total amount recognised in profit or loss	**1.95**
Remeasurements	
Effect of change in financial assumptions	(0.62)
Effect of change in demographic assumptions	-
Effect of experience adjustments	(0.01)
Changes in asset ceiling	0.03
Total amount recognised in other comprehensive income	**(0.60)**
Employer contributions : benefit payments	(0.21)
Balance as at March 31, 2022	**10.89**

Note :

(i) The Company has transferred some employees who were on payroll of APL Apollo Tubes Limited to APL Apollo Building Products Private Limited, (a wholly owned subsidiary of the Company). Accordingly, corresponding liability has been transferred to the APL Apollo Building Products Private Limited.

(d) Movement of Plan Assets

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	1.39	0.69
Contribution by the employer	2.50	1.00
Expected return on plan assets	0.10	0.04
Acturial gains / loss	(0.03)	(0.01)
Benefits paid	(0.33)	(0.33)
Closing balance	**3.63**	**1.39**

(e) Net asset / (liability) recognised in the Balance Sheet

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of defined benefit obligation	10.89	9.75
Less : fair value of plan assets	3.63	1.39
Funded status- surplus/ (deficit)	(7.26)	(8.36)
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	**(7.26)**	**(8.36)**

(f) Category of assets

Funds managed by Insurer	100.00%	100.00%

(g) Post-Employment benefits

The significant actuarial assumptions were as follows:

(₹in crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	7.53%	7.09%
Salary growth rate	8.00%	8.00%
Expected return on assets	7.09%	6.77%
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.

(h) The Company expects to make a contribution of ₹8.84 crores (March 31, 2021: ₹9.83 crores) to the defined benefit plans during the next financial year.

(i) Sensitivity analysis

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

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity		
Discount rate (increase by 1%)	(1.25)	(1.17)
Salary growth rate (increase by 1%)	1.46	1.39

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity		
Discount rate (decrease by 1%)	1.48	1.42
Salary growth rate (decrease by 1%)	(1.26)	(1.17)

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.

(j) 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.

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(k) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 16.70 years (March 31, 2021 : 16.95 years).

The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Less than a year	0.52	0.38
Between 1 - 2 years	0.32	0.28
Between 2 - 3 years	0.64	0.44
Between 3 - 4 years	0.87	0.67
Between 4 - 5 years	0.65	0.75
Beyond 5 years	7.51	6.01
Total	**10.51**	**8.53**

39 Share Based Payments

(a) Employee Share Option Plan :

(i) The ESOS scheme titled Employee Stock Option Scheme 2015 (ESOS 2015) was approved by the shareholders through postal ballot on July 27, 2015 and December 22, 2015. 7,50,000 options are covered under the Scheme for 750,000 Equity shares (before giving effect of share split and bonus issue).

(ii) During the financial year 2015-16, the Nomination and Remuneration Committee in its meeting held on July 28, 2015 has granted 724,000 options respectively under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹452.60 per share.

(iii) During the financial year 2016-17, the Nomination and Remuneration Committee in its meeting held on January 28, 2017 has granted 45,000 options under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,028.80 per share.

(iv) During the financial year 2017-18, the the Nomination and Remuneration Committee in its meeting held on September 9, 2017 and February 5, 2018 has granted 96,000 and 70,000 options respectively, under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,633.05 and ₹2,124.10 respectively per share.

(v) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 has granted 95,000 options under the ESOS to eligible employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 5 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,438.55 per share.

(vi) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 also recommended reduction in exercise price of options granted on September 9, 2017 and February 5, 2018 to reflect the fall in Company's share prices. The same was approved by shareholders of the Company on January 27, 2020 through postal ballot. The revised exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of reduction in exercise price. The revised exercise price has been determined at ₹1,438.55 per share.

(b) The following share based payment arrangements were in existence during the current and prior years :

Number of options granted (before giving effect of share split and bonus issue)	Grant Date	Expiry Date	Exercise Price (see note below) (Amount in ₹)	Fair Value at grant date (Amount in ₹)
7,24,000	July 28, 2015	January 26, 2020	452.60	168.88
46,000	January 28, 2017	July 29, 2021	1,028.80	354.56
96,000	September 9, 2017	October 3, 2022	1,438.55	602.36
70,000	February 5, 2018	August 6, 2022	1,438.55	751.34
95,000	November 9, 2019	May 9, 2024	1,438.55	466.08

i) The earlier exercise price of the Options granted on September 9, 2017 and February 5, 2018 were ₹1,633.05 and ₹2,124.10 respectively. The exercise price of these options has been reduced in earlier year (See note (a) (vi) above).

(c) Fair value of option granted/ modified

(i) No options were granted during the year ended March 31, 2022 and March 31, 2021.

(ii) During the previous year ended March 31, 2020, the incremental fair value of the options granted on September 9, 2017 and February 5, 2018 due to modification were determined at ₹131.46 and ₹372.36 respectively which has been recognised as expense over the period from the modifcation date to the end of vesting period. The expense of original option grant will continue to be recognised as if the terms had not been modified.

The incremental fair value of the options has been determined using the Black Scholes Model with the following model inputs :

	Original Grant on September 9, 2017	Original Grant on February 5, 2018
Modification date share price (before giving effect of share split)	1,438.55	1,438.55
Revised exercise price (before giving effect of share split)	1,438.55	1,438.55
Expected volatility	33.49%-34.96%	33.28%-33.96%
Option remaining life	1.31-2.12	1.51-2.53
Dividend yield	0.80%	0.80%
Risk-free interest rate	5.45%-5.70%	5.70%-6.23%

(d) Movement in share option during the year (see note (f) below)

The following reconciles the share options outstanding at the beginning and end of the year :

	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of options	Weighted Average Exercise Price (Amount in ₹)	Number of options	Weighted Average Exercise Price (Amount in ₹)
Balance at the beginning of the year	876,000#	143.86	2,167,480#	141.73
Granted during the year	-	-	-	-
Vested during the year	467,500	143.86	508,750	140.53
Lapsed during the year	-	-	1,89,630	-
Forfeited during the year	-	-	-	-
Exercised during the year	4,88,500	143.86	11,01,850	139.67
Expired during the year	-	-	-	-
Options outstanding at the end of the year	387,500$	143.86	876,000$	143.86
Options available for grant	2,18,360	-	2,18,360	-

As at March 31, 2022, Nil options were vested but not exercised.

$ As at March 31, 2021, 314,835 options were vested but not exercised.

(e) Share option exercised (see note (f) below) :

Share option exercised during the Period ended March 31, 2022	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date Rupees
Granted on September 09, 2017 & November 9, 2019	3,13,500	November 17, 2021	907.90
Granted on February 05, 2018	1,75,000	March 10, 2022	873.46

Share option exercised during the Period ended March 31, 2021	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date Rupees
Granted on January 28, 2017, February 05, 2018 & September 09, 2017	5,63,640	August 31, 2020	240.31
Granted on September 09, 2017	1,20,710	October 22, 2020	296.23
Granted on November 9, 2019	1,18,750	November 19, 2020	323.49
Granted on November 9, 2019	75,000	December 31, 2020	441.50
Granted on February 05, 2018	1,75,000	March 2, 2021	578.70
Granted on January 28, 2017	48,750	March 18, 2021	609.80

(f) Disclosures for March 31, 2022 and March 31, 2021 have been made after giving effect to the share split & bonus issue. See note 15(a)(vii) & 15(a)(viii) also.

(g) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions, i.e., employee share option plan during the year recognised in profit or loss as part of employee benefit expense is ₹1.66 crore (net of amount cross charged to subsidiaries) (March 31, 2021 ₹3.27 crore).

(h) No option expired during the year.

40 Related party transaction :

(a)	Details of related parties :	Name of related parties
(i)	Subsidiaries	Apollo Metalex Private Limited
		Shri Lakshmi Metal Udyog Limited
		Blue Ocean Projects Private Limited
		APL Apollo Building Products Private Limited
		APL Apollo Mart Limited (Company incorporated on December 7, 2021)
		APL Apollo Tubes FZE
(ii)	Step-down subsidiary	Apollo Tricoat Tubes Limited
(iii)	Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Sanjay Gupta (Chairman and Managing Director)
		Mr. Romi Sehgal (Director)
		Mr. Deepak Goyal (Chief Financial Officer)
		Mr. Deepak C S (Company Secretary)
		Mr. Rahul Gupta (Director & Son of Mr. Sanjay Gupta)
(iv)	Relative of KMP (with whom transactions have taken place during the year)	Mrs. Neera Gupta (Wife of Mr. Sanjay Gupta)
		Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta)
		Mr. Rohan Gupta (Son of Mr. Sanjay Gupta/
(v)	Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	APL Infrastructure Private Limited
		Apollo Pipes Limited

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
(b) Transactions during the year						
Sale of goods (net of discounts)						
Apollo Metalex Private Limited	96.49	-	-	-	-	96.49
	(55.91)	(-)	(-)	(-)	(-)	(55.91)
Shri Lakshmi Metal Udyog Limited	85.68		-	-		85.68
	(48.93)	(-)	(-)	(-)	(-)	(48.93)
Apollo Pipes Limited	-	-	-	-	1.22	1.22
	(-)	(-)	(-)	(-)	(0.96)	(0.96)
APL Apollo Building Products Private Limited	48.40	-	-	-	-	48.40
	(0.55)	(-)	(-)	(-)	(-)	(0.55)
Blue Ocean Projects Private Limited	0.02	-	-	-	-	0.02
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited		66.01	-	-		66.01
	(-)	(42.86)	(-)	(-)	(-)	(42.86)
	230.59	**66.01**	**-**	**-**	**1.22**	**297.82**
	(105.39)	**(42.86)**	**(-)**	**(-)**	**(0.96)**	**(149.21)**
Sale of scrap (other operating revenue)						
Apollo Metalex Private Limited	0.04		-	-	-	0.04
	(0.05)	(-)	(-)	(-)	(-)	(0.05)
Shri Lakshmi Metal Udyog Limited	0.03	-	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	2.22	-	-	-	-	2.22
	(0.44)	(-)	(-)	(-)	(-)	(0.44)
Apollo Tricoat Tubes Limited	-	0.51	-	-	-	0.51
	(-)	(0.63)	(-)	(-)	(-)	(0.63)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.03)	(0.03)
	2.29	**0.51**	**-**	**-**	**-**	**2.80**
	(0.49)	**(0.63)**	**(-)**	**(-)**	**(0.03)**	**(1.15)**
Sale of property, plant and equipments						
Shri Lakshmi Metal Udyog Limited	0.04	-	-	-	-	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	68.31	-	-	-	-	68.31
	(0.16)	(-)	(-)	(-)	(-)	(0.16)
Apollo Tricoat Tubes Limited	-	2.36	-	-	-	2.36
	(-)	(4.87)	(-)	(-)	(-)	(4.87)
	68.35	**2.36**	**-**	**-**	**-**	**70.71**
	(0.16)	**(4.87)**	**(-)**	**(-)**	**(-)**	**(5.03)**
Sale of licenses						
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(1.42)	(1.42)
	-	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	**(-)**	**(-)**	**(1.42)**	**(1.42)**
Purchase of property, plant and equipments						
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.01)	(0.01)
Apollo Metalex Private Limited	0.40	-	-	-	-	0.40
	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	0.01	-	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	1.00	-	-	-	-	1.00

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	-	-	-	-
	(-)	(6.64)	(-)	(-)	(-)	(6.64)
	1.41	**-**	**-**	**-**	**-**	**1.41**
	(-)	**(6.64)**	**(-)**	**(-)**	**(0.01)**	**(6.65)**
Purchase of stock-in-trade (net of discounts)						
Apollo Metalex Private Limited	489.73	-	-	-	-	489.73
	(350.92)	(-)	(-)	(-)	(-)	(350.92)
Shri Lakshmi Metal Udyog Limited	54.92	-	-	-	-	54.92
	(49.82)	(-)	(-)	(-)	(-)	(49.82)
APL Apollo Building Products Private Limited	3.25	-	-	-	-	3.25
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(2.72)	(2.72)
Apollo Tricoat Tubes Limited	-	166.64	-	-	-	166.64
	(-)	(220.23)	(-)	(-)	(-)	(220.23)
	547.90	**166.64**	**-**	**-**	**-**	**714.54**
	(400.74)	**(220.23)**	**(-)**	**(-)**	**(2.72)**	**(623.69)**
Purchase of raw material (net of discounts)						
Apollo Metalex Private Limited	81.43	-	-	-	-	81.43
	(18.90)	(-)	(-)	(-)	(-)	(18.90)
Shri Lakshmi Metal Udyog Limited	162.97	-	-	-	-	162.97
	(94.08)	(-)	(-)	(-)	(-)	(94.08)
APL Apollo Building Products Private Limited	22.86	-	-	-	-	22.86
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	247.41	-	-	-	247.41
	(-)	(82.57)	(-)	(-)	(-)	(82.57)
Apollo Pipes Limited	-	-	-	-	2.05	2.05
	(-)	(-)	(-)	(-)	(-)	(-)
	267.26	**247.41**	**-**	**-**	**2.05**	**516.72**
	(112.98)	**(82.57)**	**(-)**	**(-)**	**(-)**	**(195.55)**
Purchase of scrap						
Apollo Metalex Private Limited	14.89	-	-	-	-	14.89
	(11.73)	(-)	(-)	(-)	(-)	(11.73)
Shri Lakshmi Metal Udyog Limited	0.80	-	-	-	-	0.80
	(1.92)	(-)	(-)	(-)	(-)	(1.92)
Apollo Pipes Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	0.01	-	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	6.33	-	-	-	6.33
	(-)	(2.96)	(-)	(-)	(-)	(2.96)
	15.70	**6.33**	**-**	**-**	**-**	**22.03**
	(13.65)	**(2.96)**	**(-)**	**(-)**	**(-)**	**(16.61)**
Job work						
Apollo Tricoat Tubes Limited	-	0.23	-	-	-	0.23
	(-)	(0.78)	(-)	(-)	(-)	(0.78)
	-	**0.23**	**-**	**-**	**-**	**0.23**
	(-)	**(0.78)**	**(-)**	**(-)**	**(-)**	**(0.78)**
Rent paid						
APL Infrastructure Private Limited	-	-	-	-	0.06	0.06

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
	(-)	(-)	(-)	(-)	(0.06)	(0.06)
Apollo Tricoat Tubes Limited	-	0.24	-	-	-	0.24
	(-)	(0.24)	(-)	(-)	(-)	(0.24)
Apollo Pipes Limited	-	-	-	-	0.34	0.34
	(-)	(-)	(-)	(-)	(0.14)	(0.14)
Apollo Metalex Private Limited	0.41	-	-	-	-	0.41
	(0.41)	(-)	(-)	(-)	(-)	(0.41)
Mrs. Neera Gupta	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
Mrs. Vandana Gupta	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
	0.41	**0.24**	**-**	**0.04**	**0.40**	**1.09**
	(0.41)	**(0.24)**	**(-)**	**(0.04)**	**(0.20)**	**(0.89)**
Interest expense						
Shri Lakshmi Metal Udyog Limited	0.80	-	-	-	-	0.80
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	0.44	-	-	-	0.44
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	0.69	-	-	-	-	0.69
	(5.62)	(-)	(-)	(-)	(-)	(5.62)
	1.49	**0.44**	**-**	**-**	**-**	**1.93**
	(5.62)	**(-)**	**(-)**	**(-)**	**(-)**	**(5.62)**
Interest income						
Apollo Metalex Private Limited	1.24		-	-	-	1.24
	(0.19)	(-)	(-)	(-)	(-)	(0.19)
Apollo Tricoat Tubes Limited		0.25	-	-	-	0.25
	(-)	(2.02)	(-)	(-)	(-)	(2.02)
Shri Lakshmi Metal Udyog Limited	0.77		-	-	-	0.77
	(10.23)	(-)	(-)	(-)	(-)	(10.23)
APL Apollo Building Products Private Limited	1.77		-	-	-	1.77
	(0.20)	(-)	(-)	(-)	(-)	(0.20)
Blue Ocean Projects Private Limited			-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
	3.78	**0.25**	**-**	**-**	**-**	**4.03**
	(10.62)	**(2.02)**	**(-)**	**(-)**	**(-)**	**(12.64)**
Allocation of common expenses (income of the Company)						
(a) Employee benefit expenses:						
Apollo Metalex Private Limited	3.64	-	-	-	-	3.64
	(2.75)	(-)	(-)	(-)	(-)	(2.75)
Apollo Tricoat Tubes Limited	-	3.70	-	-	-	3.70
	(-)	(1.52)	(-)	(-)	(-)	(1.52)
Shri Lakshmi Metal Udyog Limited	1.83	-	-	-	-	1.83
	(1.56)	(-)	(-)	(-)	(-)	(1.56)
	5.47	**3.70**	**-**	**-**	**-**	**9.17**
	(4.31)	**(1.52)**	**(-)**	**(-)**	**(-)**	**(5.83)**
(b) Expenses incurred by Company on behalf of						
Apollo Metalex Private Limited	7.23	-	-	-	-	7.23
	(4.42)	(-)	(-)	(-)	(-)	(4.42)
Apollo Tricoat Tubes Limited	-	7.35	-	-	-	7.35
	(-)	(2.45)	(-)	(-)	(-)	(2.45)
Shri Lakshmi Metal Udyog Limited	3.64	-	-	-	-	3.64

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
	(2.51)	(-)	(-)	(-)	(-)	(2.51)
	10.87	**7.35**	**-**	**-**	**-**	**18.22**
	(6.93)	**(2.45)**	**(-)**	**(-)**	**(-)**	**(9.38)**
(c) Share based expense incurred by Company on behalf of						
Apollo Metalex Private Limited	0.03	-	-	-	-	0.03
	(0.09)	(-)	(-)	(-)	(-)	(0.09)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-
	(0.02)	(-)	(-)	(-)	(-)	(0.02)
	0.03	**-**	**-**	**-**	**-**	**0.03**
	(0.11)	**(-)**	**(-)**	**(-)**	**(-)**	**(0.11)**
(e) Allocation of common expenses (expense of the Company)						
Apollo Tricoat Tubes Limited	-	0.60	-	-	-	0.60
	(-)	(0.31)	(-)	(-)	(-)	(0.31)
	-	**0.60**	**-**	**-**	**-**	**0.60**
	(-)	**(0.31)**	**(-)**	**(-)**	**(-)**	**(0.31)**
Salary						
Mr. Sanjay Gupta	-	-	3.50	-	-	3.50
	(-)	(-)	(3.50)	(-)	(-)	(3.50)
Mr. Rohan Gupta	-	-	-	0.05	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Deepak Goyal	-	-	4.06	-	-	4.06
	(-)	(-)	(2.58)	(-)	(-)	(2.58)
Mr. Deepak C S	-	-	0.30	-	-	0.30
	(-)	(-)	(0.23)	(-)	(-)	(0.23)
	-	**-**	**7.86**	**0.05**	**-**	**7.91**
	(-)	**(-)**	**(6.31)**	**(-)**	**(-)**	**(6.31)**
Loans taken during the year						
Apollo Tricoat Tubes Limited	-	100.00	-	-	-	100.00
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	-	-	-	-
	(100.00)	(-)	(-)	(-)	(-)	(100.00)
	-	**100.00**	**-**	**-**	**-**	**100.00**
	(100.00)	**(-)**	**(-)**	**(-)**	**(-)**	**(100.00)**
Loans repaid during the year						
Apollo Metalex Private Limited	100.00	-	-	-	-	100.00
	(-)	(-)	(-)	(-)	(-)	(-)
	100.00	**-**	**-**	**-**	**-**	**100.00**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Advance in nature of loans given during the year (see note (v) below)						
Shri Lakshmi Metal Udyog Limited	77.57	-	-	-	-	77.57
	(-)	(-)	(-)	(-)	(-)	-
Apollo Metalex Private Limited	1,208.54					1,208.54
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	563.24	-	-	-	563.24
	(-)	(-)	(-)	(-)	(-)	(-)
	1,286.11	**563.24**	**-**	**-**	**-**	**1,849.35**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Advance in nature of loans received back during the year (see note (v) below)						
Shri Lakshmi Metal Udyog Limited	77.57	-	-	-	-	77.57
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	1,208.54					1,208.54
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	563.24	-	-	-	563.24
	(-)	(-)	(-)	(-)	(-)	(-)
	1,286.11	**563.24**	**-**	**-**	**-**	**1,849.35**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Loans given during the year						
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-
	(45.00)	(-)	(-)	(-)	(-)	(45.00)
APL Apollo Building Products Private Limited	-	-	-	-	-	-
	(7.13)	(-)	(-)	(-)	(-)	(7.13)
Blue Ocean Projects Private Limited	-	-	-	-	-	-
	(0.16)	(-)	(-)	(-)	(-)	(0.16)
APL Apollo Building Products Private Limited	329.17	-	-	-	-	329.17
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	-	-	-	-
	(-)	(66.00)	(-)	(-)	(-)	(66.00)
	329.17	**-**	**-**	**-**	**-**	**329.17**
	(52.29)	**(66.00)**	**(-)**	**(-)**	**(-)**	**(118.29)**
Loans received back during the year						
Shri Lakshmi Metal Udyog Limited	100.00	-	-	-	-	100.00
	(20.00)	(-)	(-)	(-)	(-)	(20.00)
APL Apollo Building Products Private Limited	7.13	-	-	-	-	7.13
	(-)	(-)	(-)	(-)	(-)	(-)
Blue Ocean Projects Private Limited	0.16	-	-	-	-	0.16
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	329.17	-	-	-	-	329.17
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	-	-	-	-
	(-)	(66.00)	(-)	(-)	(-)	(66.00)
	436.46	**-**	**-**	**-**	**-**	**436.46**
	(20.00)	**(66.00)**	**(-)**	**(-)**	**(-)**	**(86.00)**
Advance in nature of loans taken during the year						
Shri Lakshmi Metal Udyog Limited	692.73	-	-	-	-	692.73
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	623.72	-	-	-	623.72
	(-)	(-)	(-)	(-)	(-)	(-)
	692.73	**623.72**	**-**	**-**	**-**	**1,316.45**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Advance in nature of loans paid back during the year						
Shri Lakshmi Metal Udyog Limited	692.73	-	-	-	-	692.73
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	623.72	-	-	-	623.72
	(-)	(-)	(-)	(-)	(-)	(-)
	692.73	**623.72**	**-**	**-**	**-**	**1,316.45**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Advances from customers						
APL Apollo Tubes FZE	-	-	-	-	-	-
	(19.85)	(-)	(-)	(-)	(-)	(19.85)
	-	**-**	**-**	**-**	**-**	**-**
	(19.85)	**(-)**	**(-)**	**(-)**	**(-)**	**(19.85)**
Investment in equity share capital						
APL Apollo Tubes FZE	-	-	-	-	-	-
	(19.75)	(-)	(-)	(-)	(-)	(19.75)
APL Apollo Building Products Private Limited	154.30	-	-	-	-	154.30
	(105.69)	(-)	(-)	(-)	(-)	(105.69)
APL Apollo Mart Limited	0.10	-	-	-	-	0.10
	(-)	(-)	(-)	(-)	(-)	(-)
Blue Ocean Projects Private Limited	17.05	-	-	-	-	17.05
	(4.82)	(-)	(-)	(-)	(-)	(4.82)
	171.45	**-**	**-**	**-**	**-**	**171.45**
	(130.26)	**(-)**	**(-)**	**(-)**	**(-)**	**(130.26)**
Disinvestment in equity share capital						
APL Apollo Tubes FZE	19.75	-	-	-	-	19.75
	(-)	(-)	(-)	(-)	(-)	(-)
	19.75	**-**	**-**	**-**	**-**	**19.75**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
(c) Balances outstanding at the end of the year						
Trade receivables						
Shri Lakshmi Metal Udyog Limited	0.55	-	-	-	-	0.55
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	0.10				0.10
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	58.32	-	-	-	-	58.32
	(-)	(-)	(-)	(-)	(-)	(-)
	58.87	**0.10**	**-**	**-**	**-**	**58.97**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Claim Receivable						
Apollo Metalex Private Limited	4.63	-	-	-	-	4.63
	(4.05)	(-)	(-)	(-)	(-)	(4.05)
APL Apollo Building Products Private Limited	0.35					0.35
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	3.55	-	-	-	3.55
	(-)	(2.09)	(-)	(-)	(-)	(2.09)
Shri Lakshmi Metal Udyog Limited	2.18	-	-	-	-	2.18
	(1.41)	(-)	(-)	(-)	(-)	(1.41)
	7.16	**3.55**	**-**	**-**	**-**	**10.71**
	(5.46)	**(2.09)**	**(-)**	**(-)**	**(-)**	**(7.55)**
Expenses payable						
Apollo Metalex Private Limited	0.01	-	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	0.62					0.62
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	0.15	-	-	-	0.15
	(-)	(0.45)	(-)	(-)	(-)	(0.45)
Shri Lakshmi Metal Udyog Private Limited	0.45	-	-	-	-	0.45
	(0.49)	(-)	(-)	(-)	(-)	(0.49)
	1.08	**0.15**	**-**	**-**	**-**	**1.23**
	(0.49)	**(0.45)**	**(-)**	**(-)**	**(-)**	**(0.94)**

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Security deposits given						
Mrs. Neera Gupta	-	-	-	3.00	-	3.00
	(-)	(-)	(-)	(3.00)	(-)	(3.00)
Mrs. Vandana Gupta	-	-	-	3.00	-	3.00
	(-)	(-)	(-)	(3.00)	(-)	(3.00)
APL Infrastructure Private Limited	-	-	-	-	5.00	5.00
	(-)	(-)	(-)	(-)	(5.00)	(5.00)
	-	**-**	**-**	**6.00**	**5.00**	**11.00**
	(-)	**(-)**	**(-)**	**(6.00)**	**(5.00)**	**(11.00)**
Interest receivable						
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-
	(2.44)	(-)	(-)	(-)	(-)	(2.44)
Apollo Metalex Private Limited	0.17					0.17
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	-	-	-	-
	(-)	(0.04)	(-)	(-)	(-)	(0.04)
APL Apollo Building Products Private Limited	1.26	-	-	-	-	1.26
	(-)	(-)	(-)	(-)	(-)	(-)
	1.43	**-**	**-**	**-**	**-**	**1.43**
	(2.44)	**(0.04)**	**(-)**	**(-)**	**(-)**	**(2.48)**
Interest payable						
Shri Lakshmi Metal Udyog Limited	0.04	-	-	-	-	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	0.39	-	-	-	0.39
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	-	-	-	-
	(1.94)	(-)	(-)	(-)	(-)	(1.94)
	0.04	**0.39**	**-**	**-**	**-**	**0.43**
	(1.94)	**(-)**	**(-)**	**(-)**	**(-)**	**(1.94)**
Advance recoverable						
Apollo Metalex Private Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Tricoat Tubes Limited	-	-	-	-	-	-
	(-)	(8.76)	(-)	(-)	(-)	(8.76)
	-	**-**	**-**	**-**	**-**	**-**
	(-)	**(8.76)**	**(-)**	**(-)**	**(-)**	**(8.76)**
Loans receivable						
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-
	(100.00)	(-)	(-)	(-)	(-)	(100.00)
APL Apollo Building Products Private Limited	-	-	-	-	-	-
	(7.13)	(-)	(-)	(-)	(-)	(7.13)
Blue Ocean Projects Private Limited	-	-	-	-	-	-
	(0.16)	(-)	(-)	(-)	(-)	(0.16)
	-	**-**	**-**	**-**	**-**	**-**
	(107.29)	**(-)**	**(-)**	**(-)**	**(-)**	**(107.29)**
Loans payable						
Apollo Tricoat Tubes Limited	-	100.00	-	-	-	100.00
	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	-	-	-	-
	(100.00)	(-)	(-)	(-)	(-)	(100.00)
	-	**100.00**	**-**	**-**	**-**	**100.00**
	(100.00)	**(-)**	**(-)**	**(-)**	**(-)**	**(100.00)**

(₹ in crore)

Particulars	Subsidiaries	Step-down subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Trade payables						
Apollo Metalex Private Limited	0.06	-	-	-	-	0.06
	(40.82)	(-)	(-)	(-)	(-)	(40.82)
APL Infrastructure Private Limited	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)	(-)
Blue Ocean Projects Private Limited	0.04	-	-	-	-	0.04
	(17.83)	(-)	(-)	(-)	(-)	(17.83)
Apollo Pipes Limited	-	-	-	-	0.15	0.15
	(-)	(-)	(-)	(-)	(0.05)	(0.05)
Mr. Rohan Gupta	-	-	0.01	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Sanjay Gupta	-	-	0.54	-	-	0.54
	(-)	(-)	(0.19)	(-)	(-)	(0.19)
Mr. Deepak Goyal (net of advances recoverable)	-	-	0.06	-	-	0.06
	(-)	(-)	(0.01)	(-)	(-)	(0.01)
Mr. Deepak C S (net of advances recoverable)	-	-	0.02	-	-	0.02
	(-)	(-)	(0.01)	(-)	(-)	(0.01)
	0.10	**-**	**0.63**	**-**	**0.17**	**0.90**
	(58.65)	**(-)**	**(0.21)**	**(-)**	**(0.05)**	**(58.91)**

Notes :

(i) Figures in the bracket relates to previous year ended March 31, 2021.

(ii) Amount of expense of gratuity and compensated absences is taken on actuarial basis.

(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.

(iv) The Company has given corporate guarantees on behalf of its subsidiaries i.e. Apollo Metalex Private Limited, Shri Lakshmi Metal Udyog Limited, Apollo Tricoat Tubes Limited and APL Apollo Building Products Private Limited for loans and credit facilities taken by them from banks and financial institutions. The loan outstanding as at March 31, 2022 of Apollo Metalex Private Limited is ₹3.65 crore (March 31, 2021 ₹70.43 crore), Shri Lakshmi Metal Udyog Limited is ₹1.20 crore (March 31, 2021 ₹Nil crore), Apollo Tricoat Tubes Limited is ₹48.99 crore (March 31, 2021 ₹62.03 crore) and APL Apollo Building Products Private Limited is ₹238.74 crores (March 31, 2021 ₹Nil crore).

(v) The treasury and finance operations of the Company and its subsidiaries (APL Group Companies) are managed centrally. Based on the funding requirement, APL group companies provide short term advances in the nature of loan to each other and these are repaid as and when funds are available with respective company. Also interest is charged for the period on such advance in the nature of loan remains outstanding to ensure arms' length transaction. The above transactions are undertaken with the approval of the Board of Directors and the Audit Committee as applicable. The maximum amount outstanding during the year in respect of advance in nature of loan given by the Company to its subsidiaries is as under :

(₹ in crore)

Name of company	Limits approved	Maximum amount outstanding during the year
Shri Lakshmi Metal Udyog Limited	125.00	28.57
Apollo Metalex Private Limited	200.00	63.63
APL Apollo Building Products Private Limited	100.00	21.79
Apollo Tricoat Tubes Limited	100.00	76.41

41 Income tax expense

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

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax as per standalone statement of profit and loss	385.08	205.01
Income tax expenses calculated as per tax rates of Income tax act of 25.168% (March 31, 2021 : 25.168%)	96.92	51.60
(i) Items not deductible	1.03	(1.12)
(iii) Income tax / deferred tax expense / (credit) of earlier year	-	0.75
Tax expense as reported	**97.95**	**51.23**

42 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, 2022 and March 31, 2021 :-

(₹ in crore)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets - Non Current						
Investments						
- Other investments	0.21	1.06	1.13	0.10	1.38	-
Loans to subsidiary company	-	-	0.42	-	-	107.29
Advance paid against purchase of equity shares	-	-	-	-	-	-
Security deposit	-	-	18.38	-	-	18.50
Balance in marigin money with maturity of more than 12 months	-	-	0.08	-	-	0.03
Claim receivable (net of provision)	-	-	0.05	-	-	0.10
Financial assets - Current						
Loans to employees	-	-	1.02	-	-	1.11
Claim receivable	-	-	11.63	-	-	8.04
Export incentives	-	-	3.67	-	-	4.12
Government grants	-	-	-	-	-	-
Derivative assets (net)	2.30	-	-	2.01	-	-
Trade receivables	-	-	327.97	-	-	87.18
Cash and cash equivalents	-	-	54.73	-	-	3.19
Bank balances other than cash and cash equivalents	-	-	168.56	-	-	341.30
Others	-	-	3.35	-	-	3.66
Total financial assets	**2.51**	**1.06**	**590.99**	**2.11**	**1.38**	**574.52**
Financial liabilities - Non Current						
Borrowings	-	-	172.40	-	-	224.48
Lease liabilities	-	-	0.01	-	-	-
Deferred payment	-	-	0.85	-	-	0.78
Financial liabilities - Current						
Borrowings	-	-	215.60	-	-	263.39
Lease liabilities	-	-	0.61	-	-	0.08
Interest accrued but not due on borrowings	-	-	1.15	-	-	2.61
Security deposit payable	-	-	0.94	-	-	1.00
Trade payables	-	-	902.33	-	-	703.96
Others	-	-	0.47	-	-	0.51
Total financial liabilities	**-**	**-**	**1,294.36**	**-**	**-**	**1,196.81**

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
- Assets for foreign currency forward contracts	-	2.30	-	2.01
- Investment in equity instruments	1.06	-	1.38	-
- Investment in mutual fund of Union Hybrid Equity Fund - regular plan growth	0.21	-	0.10	-
Total financial assets	**1.27**	**2.30**	**1.48**	**2.01**

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

(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.

(d) Valuation inputs and relationships to fair value- investment property / Assets classified as held for sale (Level 3)

Particulars	Fair Value as at	
	March 31, 2022	March 31, 2021
Investment property (see note 2(d))	63.07	-
Assets classified as held for sale (see note 2(f)	-	64.26

(i) The fair value was derived using the market comparable approach based on recent market prices carried out by an independent valuer without any significant adjustments being made to the market observable data.

(ii) There were no significant inter-relationships between unobservable inputs that materially affect fair values.

43 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. Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions foreign exchange risk.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, 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 is 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 import of capital goods. 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) The position of foreign currency exposure to the Company as at the end of the year are as follows :

(a)	Option outstanding	Buy/Sell	As at March 31, 2022	As at March 31, 2021
	In USD	Buy	46,03,002	72,33,289
	Equivalent amount in Rupees in crore		34.88	52.88
	In USD	Sell	46,03,002	72,33,289
	Equivalent amount in Rupees in crore		34.88	52.88

(b)	Forward contract outstanding	Buy/Sell	As at March 31, 2022	As at March 31, 2021
	In USD	Sell	-	78,26,884
	Equivalent amount in Rupees in crore	Sell	-	57.22

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

Currency	As at March 31, 2022	As at March 31, 2021
Payables:		
USD	2,76,500	2,09,500
Equivalent amount in Rupees in crore	2.10	1.53
EURO	-	-
Equivalent amount in Rupees in crore	-	-
Advance paid to vendors:		
USD	9,53,400	40,28,951
Equivalent amount in Rupees in crore	7.23	29.46
EURO	6,43,558	3,53,208
Equivalent amount in Rupees in crore	5.40	3.03
Trade receivables:		
USD	83,01,232	-
Equivalent amount in Rupees in crore	62.91	-
EURO	1,41,201	64,701
Equivalent amount in Rupees in crore	1.18	0.56
Advance Received from Customers:		
USD	1,26,733	29,33,629
Equivalent amount in Rupees in crore	0.96	21.45
EURO	28,951	-
Equivalent amount in Rupees in crore	0.24	-

Sensitivity

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

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
EURO sensitivity		
INR/EURO Increases by 2.5% (March 31, 2021 - 2.5%)	0.02	0.01
INR/EURO Decreases by 2.5% (March 31, 2021 - 2.5%)	(0.02)	(0.01)
USD sensitivity		
INR/USD Increases by 2.5% (March 31, 2021 - 2.5%)	1.14	(0.03)
INR/USD Decreases by 2.5% (March 31, 2021 - 2.5%)	(1.14)	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 hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. 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, and by the use of interest rate swap contracts.

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	253.12	434.99
Fixed rate borrowings	134.88	52.88
Total borrowings	**388.00**	**487.87**

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

Particulars	Balance	% of total loans
As at March 31, 2022		
Bank overdrafts, bank loans, Cash Credit	253.12	65%
As at March 31, 2021		
Bank overdrafts, bank loans, Cash Credit	434.99	89%

Sensitivity

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

(₹ in crore)

Particulars	Impact on prCofit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest rates – increase by 50 basis points (50 bps)	(0.95)	(1.63)
Interest rates – decrease by 50 basis points (50 bps)	0.95	1.63

(b) Credit risk (see note 9)

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

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

1. 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 March 31, 2022	As at March 31, 2021
Floating rate borrowings	938.56	891.58
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 :-

(₹ in crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2022				
Borrowings (interest bearing)	215.60	172.40	-	388.00
Lease liabilities (interest bearing)	0.61	0.01	-	0.62
Interest accrued but due on borrowings	1.15	-	-	1.15
Trade payables	902.33	-	-	902.33
Security deposits payable	0.94	-	-	0.94
Deferred payment (interest bearing)	-	0.85	-	0.85
Others	0.47	-	-	0.47
Total non-derivative liabilities	**1,121.10**	**173.26**	**-**	**1,294.36**
As at March 31, 2021				
Borrowings (interest bearing)	263.39	224.48	-	487.87
Lease liabilities (interest bearing)	0.08	-	-	0.08
Interest accrued but due on borrowings	2.61	-	-	2.61
Trade payables	703.96	-	-	703.96
Security deposits payable	1.00	-	-	1.00
Deferred payment (interest bearing)	-	0.78	-	0.78
Others	0.51	-	-	0.51
Total non-derivative liabilities	**971.55**	**225.26**	**-**	**1,196.81**

44 Reconciliation of liabilities arising from financing activities

(₹ in crore)

Particulars	As at March 31, 2021	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2022
Non-current borrowings	224.48	(50.01)	(2.07)	172.40
Current borrowings	263.39	(47.79)	-	215.60
Total liabilities from financing activities	**487.87**	**(97.80)**	**(2.07)**	**388.00**

(₹ in crore)

Particulars	Opening balance as at April 1, 2020	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2021
Non-current borrowings	245.29	(18.51)	(2.30)	224.48
Current borrowings	318.61	(55.22)	-	263.39
Total liabilities from financing activities	**563.90**	**(73.73)**	**(2.30)**	**487.87**

45 Capital management

(a) Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would 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.

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Non current borrowings	172.40	224.48
Current borrowings	215.60	263.39
Less : Cash and cash equivalents	(54.73)	(3.19)
Less : Bank balances other than cash and cash equivalents	(168.56)	(341.30)
Net debt	**164.71**	**143.38**
Total equity	**1,745.09**	**1,448.79**
Gearing Ratio	**0.09**	**0.10**

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

46 Additional Regulatory Information

(a) Below is the title deed of Immovable Property not held in the name of the Company

Particulars	As at March 31, 2022	As at March 31, 2021
Relevant line items in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Building	Building
Gross carrying value (Rupees in crores)	1.47	1.47
Title deeds held in the name of	Llyod Line Pipes Limited	Llyod Line Pipes Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	23-Nov-08	23-Nov-08
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger	Pending transfer in name of the Company post merger

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

(₹ in crore)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2022
Less than 1 year	35.44	-	35.44
1-2 years	1.16	6.34	7.50
2-3 years	-	-	-
More than 3 years		-	-
Total	**36.60**	**6.34**	**42.94**

(₹ in crore)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2021
Less than 1 year	51.80	-	51.80
1-2 years	0.59	-	0.59
2-3 years	0.49	-	0.49
More than 3 years	-	-	-
Total	**52.88**	**-**	**52.88**

(c) 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:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) The principal amount remaining unpaid to supplier as at the end of the year	5.26	3.85
(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	**5.26**	**3.85**

(d) 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 :

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	Amount required to be spent as per section 135 of Companies Act, 2013	3.07	2.56
(ii)	Amount of expenditure in the books of accounts	3.07	2.56
(iii)	Actual expenditure	2.82	1.56
(iv)	Provision made for liability	0.25	1.00
(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	2.82	1.56
(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

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 ₹0.25 crore (March 31, 2021 : ₹1.00 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 lapsed and accordingly does not require to be spent / transferred to a separate bank account.

(e) Financial Ratios as per the Schedule III requirements

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Current Ratio	1.17	1.10
	Current Ratio = Current Assets / Current Liabilities		
	% change from previous year	6.69%	
(ii)	Debt-Equity Ratio	0.09	0.10
	Debt-Equity Ratio = Net Debt(1) / Shareholder's Equity		
	% change from previous year	(4.63)%	
(iii)	Debt Service Coverage Ratio	2.08	1.04
	Debt Service Coverage Ratio = Earnings available for debt service(2) / Debt service(3)		
	% change from previous year	100.52%	
(iv)	Return on Equity Ratio	17.98%	11.29%
	Return on Equity Ratio= Net Profit after tax / Average Shareholder's Equity		
	% change from previous year	59.26%	
(v)	Inventory turnover ratio	14.80	10.53
	Inventory turnover ratio= Sales / Average inventory		
	% change from previous year	40.54%	
(vi)	Trade receivables turnover ratio	43.66	30.49
	Trade receivables turnover ratio= Sales / Average trade receivables		
	% change from previous year	43.20%	
(vii)	Trade payables turnover ratio	10.37	8.31
	Trade payables turnover ratio= Net purchases / Average trade payables		
	% change from previous year	24.66%	
(viii)	Net capital turnover ratio	46.73	62.45
	Net capital turnover ratio= Sales / Working capital		
	% change from previous year	(25.18)%	
(ix)	Net Profit Ratio	3.17%	2.56%
	Net Profit Ratio= Profit after tax / Sales		
	% change from previous year	23.79%	
(x)	Return on capital employed	21.25%	15.59%
	Return on capital employed = Earning before interest and taxes(4) / Capital employed(5)		
	% change from previous year	36.32%	
(xi)	Return on investment	4.27%	5.66%
	Return on investment= Income generated from invested funds / average invested funds in treasury investments		
	% change from previous year	(24.55)%	

Explanation of formulas used in calculating ratios :

(1) Net debt includes borrowings (long term and short term) net of cash & cash equivalents and bank balances.

(2) Earnings available for debt service includes profit after tax, finance costs, depreciation and other non cash expense.

(3) Debt service includes finance costs paid and principal repayment of borrowings (long term and short term).

(4) Earning before interest and taxes includes Profit before tax plus depreciation.

(5) Capital employed includes Tangible net worth (Total assets - total liability - intangible assets), net debt and deferred tax liability.

Note :

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

(f) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(g) Disclosures under Rule 11(e)(i) of the Company (Audit & Auditors) Rule, 2014 :

Particulars	For the year ended March 31, 2022
Name of investee	APL Apollo Tubes Limited
Date	March 21, 2022
Amount	75.66 crores
Nature of fund	Investment
Name of intermediary Company	APL Apollo Mart Limited
Relationship	Wholly-owned subsidiary

Particulars	For the year ended March 31, 2022
Name of intermediary Company	APL Apollo Mart Limited
Date	March 21, 2022
Amount	75.66 crores
Nature of fund	Investment
Ultimate beneficiary	Shankara Building Products Limited
Relationship	-

(h) Disclosures under Rule 11(e)(ii) of the Company (Audit & Auditors) Rule, 2014 :

No funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(i) Disclosures under Rule 11(f) of the Company (Audit & Auditors) Rule, 2014 - Dividends

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Final dividend for the year ended March 31, 2022 of ₹3.50 (March 31, 2021– ₹ Nil) (excluding dividend distribution tax)	87.60	-
Dividends not recognised at the end of the reporting period	87.60	-

The Board of Directors have recommended a final dividend of ₹3.50 per share for the year ended March 31, 2022 which is subject to the approval of the shareholders in the ensuing annual general meeting.

(j) The Board of Directors of APL Apollo Tubes Limited ("Company"), at its meeting held on February 27, 2021, has considered and approved a draft scheme of amalgamation ('scheme') under Sections 230 to 232 of the Companies Act, 2013, of Shri Lakshmi Metal Udyog Limited ('Shri Lakshmi' – wholly owned subsidiary company) and Apollo Tricoat Tubes Limited ('Apollo Tricoat' – subsidiary company of wholly owned subsidiary) with the Company. Requisite no objection certificate from BSE Limited, approvals from the shareholders and creditors of the Company have been received. The Scheme is subject to sanction of the Hon'ble NCLT.

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

Independent Auditor's Report

TO THE MEMBERS OF

APL APOLLO TUBES LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **APL Apollo Tubes Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Parent's Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report (hereinafter referred to as "Other Information"), but does not include the consolidated financial statements and our auditor's report thereon. The Board's report including annexures to the Board's report is expected to made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiaries, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent's 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 control 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 Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) We did not audit the financial statements of four subsidiaries whose financial statements reflect total assets of Rupees 1,569.38 crore as at March 31, 2022 and total revenues of Rupees 2,756.29 crore and net cash inflow amounting to Rupees 47.24 crore for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rupees 1.49 crore as at March 31, 2022, total revenues of Rupees 21.08 crores and net cash inflows amounting to Rupees 1.13 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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 and based on the auditor's reports of subsidiary companies, the remuneration paid by the Parent Company and such subsidiary companies to their respective 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note no 37(a) of the consolidated financial statements).

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts (Refer Note no 37(b)(5) of the consolidated financial statements).

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company (Refer Note no 37(c) of the consolidated financial statements). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies.

iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 46(g) to the consolidated financial statements, 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 Parent Company or any of such subsidiaries 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 Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 46(g) and 46(h) to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries 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.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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) As stated in note 46(i) to the consolidated financial statements, the Board of Directors of the Parent Company has proposed final dividend for the year which is subject to the approval of the members of the Parent Company at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable. No dividend has been proposed, declared or paid by any of the subsidiary companies incorporated in India, whose financial statements have been audited under the Act, where applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark.
Apollo Tricoat Tubes Limited	L74900DL1983PLC014972	Subsidiary	Clause (vii)(a) with respect to arrears of statutory dues outstanding for more than six months.
Shri Lakshmi Metal Udyog Limited	U85110DL1994PLC224835	Wholly owned subsidiary	Clause (vii)(a) with respect to arrears of statutory dues outstanding for more than six months.

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

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN:22095540AIYPBS8127)

Place: Ghaziabad
Date: May 13, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **APL Apollo Tubes Limited** (hereinafter referred to as "Parent") and its subsidiary companies (the Parent and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies 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 (ICAI)". 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 respective 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 internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the criteria for internal financial control over financial reporting established by the respective companies 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".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN:22095540AIYPBS8127)

Place: Ghaziabad
Date: May 13, 2022

Consolidated Balance Sheet as at 31 March 2022

(₹ in crore)

	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**			
(1)	**Non-current assets**			
(a)	Property, plant and equipment	2(a)	1,604.14	1,501.41
(b)	Capital work-in-progress	2(b)	503.68	107.67
(c)	Right of use assets	2(c)	94.60	94.94
(d)	Goodwill	2(d)	137.50	137.50
(e)	Other intangible assets	2(e)	1.12	1.84
(f)	Financial assets			
	(i) Investments	3	86.25	1.48
	(ii) Loans	4	0.42	-
	(iii) Other financial assets	5	29.98	26.92
(g)	Non-current tax assets (net)	6	55.11	5.78
(h)	Other non-current assets	7	112.61	122.30
	Total non-current assets		**2,625.41**	**1,999.84**
(2)	**Current assets**			
(a)	Inventories	8	847.22	759.92
(b)	Financial assets			
	(i) Investment	9	5.00	-
	(ii) Trade receivables	10	341.70	130.59
	(iii) Cash and cash equivalents	11	163.73	16.12
	(iv) Bank balance other than (iii) above	12	212.69	341.81
	(v) Loans	13	1.29	1.29
	(vi) Other financial assets	14	11.00	9.79
(c)	Other current assets	15	244.37	139.59
	Total current assets		**1,827.00**	**1,399.11**
	Total assets		**4,452.41**	**3,398.95**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity share capital	16(a)	50.06	24.98
(b)	Other equity	16(b)	2,213.92	1,669.68
	Equity attributable to the owners of the Company		**2,263.98**	**1,694.66**
	Non-controlling interests	16(c)	200.03	138.30
	Total equity		**2,464.01**	**1,832.96**
(2)	**Non-current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	17	347.17	183.47
	(ia) Lease liabilities	2(c)	0.01	-
	(ii) Other financial liabilities	18	0.85	1.00
(b)	Provisions	19	16.93	16.44
(c)	Deferred tax liabilities (net)	20	118.71	111.16
(d)	Other non-current liabilities	21	75.40	75.54
	Total non-current liabilities		**559.07**	**387.61**
(3)	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	22	233.40	336.86
	(ia) Lease liabilities	2(c)	0.64	0.14
	(ii) Trade payables	23		
	- total outstanding dues of micro enterprises and small enterprises		8.22	5.70
	- total outstanding dues of creditors other than micro enterprises and small enterprises		1,051.23	780.15
	(iii) Other financial liabilities	24	17.62	12.03
(b)	Other current liabilities	25	53.32	34.85
(c)	Provisions	26	1.46	1.23
(d)	Current tax liabilities (net)	27	63.44	7.42
	Total current liabilities		**1,429.33**	**1,178.38**
	Total equity and liabilities		**4,452.41**	**3,398.95**
	See accompanying notes to the consolidated financial statements	1-47		

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

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

(₹ in crore)

	Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	28	13,063.32	8,499.75
II	Other Income	29	40.50	35.94
III	**Total Income (I +II)**		**13,103.82**	**8,535.69**
IV	**Expenses**			
	(a) Cost of materials consumed	30	10,909.59	7,159.59
	(b) Purchase of stock-in-trade		250.49	67.53
	(c) Changes in inventories of finished goods, stock in trade, work-in-progress, rejection and scrap	31	63.04	(62.32)
	(d) Employee benefits expense	32	153.04	129.63
	(e) Finance costs	33	44.47	66.09
	(f) Depreciation and amortisation expense	34	108.97	102.77
	(g) Other expenses	35	741.90	526.61
	Total expenses		**12,271.50**	**7,989.90**
V	**Profit before tax (III - IV)**		**832.32**	**545.79**
VI	**Tax expense:**			
	(a) Current tax		206.61	128.72
	(b) Deferred tax charge (net)	20	6.73	8.84
	(c) Income tax / deferred tax expense of earlier year (net)	41	-	0.53
	Total tax expense	41	**213.34**	**138.09**
VII	**Profit for the year (V-VI)**		**618.98**	**407.70**
VIII	**Other comprehensive income**			
	Add : (less) items that will not be reclassified to profit or loss			
	(a) Equity instruments through other comprehensive income (net of tax)		2.70	-
	(b) Remeasurement of post employment benefit obligation		0.87	1.64
	(c) Income tax relating to (b) above		(0.22)	(0.42)
	Other comprehensive income for the year		**3.35**	**1.22**
IX	**Total comprehensive income for the year (VII+VIII)**		**622.33**	**408.92**
X	**Profit for the year attributable to :**			
	- Owner of the Company		557.29	360.16
	- Non-controlling interests		61.69	47.54
			618.98	**407.70**
XI	**Other comprehensive income for the year attributable to :**			
	- Owner of the Company		3.31	1.35
	- Non-controlling interests		0.04	(0.13)
			3.35	**1.22**
XII	**Total comprehensive income for the year attributable to :**			
	- Owner of the Company		560.60	361.51
	- Non-controlling interests		61.73	47.41
			622.33	**408.92**
XIII	**Earnings per equity share (EPS) of ₹2 each**			
	(a) Basic (in Rupees)	36	22.30	14.46
	(b) Diluted (in Rupees)	36	22.26	14.40
See accompanying notes to the consolidated financial statements		1-47		

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

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

a) Equity share capital

(₹ in crore)

Particulars	Amount
Balance as at April 1, 2020	24.87
Changes during the year ended March 31, 2021	0.11
Balance as at March 31, 2021	**24.98**
Changes during the year ended March 31, 2022	25.08
Balance as at March 31, 2022	**50.06**

b) Other equity

(₹ in crore)

Particulars	Reserves and surplus					Items of other comprehensive income	Attributable to the owners of the Company	Non-controlling interests	Total
	Securities premium	General reserve	Capital Reserve	Share option outstanding account	Retained earnings	Equity instruments through other comprehensive income			
Balance as at April 1, 2020	**391.22**	**39.97**	**13.38**	**9.14**	**877.57**	**-**	**1,331.28**	**95.42**	**1,426.70**
Profit for the year ended March 31, 2021	-	-	-	-	360.16	-	360.16	47.54	**407.70**
Other comprehensive income for the year, net of tax	-	-	-	-	1.35	-	1.35	(0.13)	**1.22**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**361.51**	**-**	**361.51**	**47.41**	**408.92**
Allocations/Appropriations:									
Adjustment arising from change in non-controlling interests	-	-	-	-	(41.67)	-	(41.67)	(4.53)	**(46.20)**
Share option outstanding account	-	-	-	3.28	-	-	3.28	-	**3.28**
Transfer to Securities premium	8.63	-	-	(8.63)	-	-	-	-	**-**
Security premium on issue of shares	15.28	-	-	-	-	-	15.28	-	**15.28**
	23.91	**-**	**-**	**(5.35)**	**(41.67)**	**-**	**(23.11)**	**(4.53)**	**(27.64)**
Balance as at March 31, 2021	**415.13**	**39.97**	**13.38**	**3.79**	**1,197.41**	**-**	**1,669.68**	**138.30**	**1,807.98**
Profit for the year ended March 31, 2022	-	-	-	-	557.29	-	557.29	61.69	**618.98**
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	2.70	2.70	-	**2.70**
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	0.61	-	0.61	0.04	**0.65**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**557.90**	**2.70**	**560.60**	**61.73**	**622.33**
Allocations/Appropriations:									
Share option outstanding account	-	-	-	1.69	-	-	1.69	-	**1.69**
Transfer to Securities premium	3.90	-	-	(3.90)	-	-	-	-	**-**
Issue of bonus shares (see note 16(a)(viii))	(24.98)	-	-	-	-	-	(24.98)	-	**(24.98)**
Security premium on issue of shares	6.93	-	-	-	-	-	6.93	-	**6.93**
	(14.15)	**-**	**-**	**(2.21)**	**-**	**-**	**(16.36)**	**-**	**(16.36)**
Balance as at March 31, 2022	**400.98**	**39.97**	**13.38**	**1.58**	**1,755.31**	**2.70**	**2,213.92**	**200.03**	**2,413.95**
See accompanying notes to the consolidated financial statements					1-47				

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

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

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	832.32	545.79
Adjustments for:		
Depreciation and amortisation expense	108.97	102.77
Loss / (gain) on sale of property, plant and equipment (net)	0.58	0.04
Finance costs	44.47	66.09
Interest income on fixed deposits	(12.93)	(19.34)
Interest income on others	(2.80)	(1.37)
Provision for slow moving inventory of spares & consumables	1.44	1.02
Government grant income	(8.27)	(9.10)
(Gain) / loss on derivatives measured at fair value through profit & loss account	(0.28)	(1.08)
Net unrealised foreign exchange loss / (gain)	0.75	(2.30)
Bad debts written off	0.25	-
Allowance for doubtful trade receivables (expected credit loss allowance)	(0.52)	(1.27)
Share based expenses	1.69	3.27
Other non-cash items	0.73	-
Operating profit before working capital changes	**966.40**	**684.52**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(88.74)	23.24
Trade receivables	(210.84)	347.04
Current loans and other financial assets	0.09	1.66
Non-current loans and other financial assets	(3.48)	(1.59)
Other current assets	(104.77)	(8.02)
Other non-current assets	(0.71)	0.02
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	273.95	21.47
Other current liabilities	18.47	17.60
Other current financial liabilities	(0.05)	0.06
Other non current financial liabilities	(0.15)	0.28
Other non current liabilities	-	8.30
Provisions (current & non-current)	0.86	2.01
Cash generated from operations	**851.03**	**1,096.59**
Net income tax (paid)	(199.32)	(119.48)
Net cash flow from operating activities (A)	**651.71**	**977.11**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment (including capital advances)	(596.65)	(286.92)
Proceeds from sale of property, plant and equipment	9.77	7.17
Proceeds / (investment) in fixed deposits (net)	129.11	(340.62)
Investment in other companies	(82.07)	-
Investment in equity shares of subsidiaries	-	(46.20)
Investment in mutual funds	(5.00)	-
Proceeds from sale of mutual funds	-	0.04
Interest received		
- fixed deposits	11.91	18.33
- others	2.80	1.37
Net cash flow (used in) investing activities (B)	**(530.13)**	**(646.83)**

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

(₹ in crore)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
C. Cash flow from financing activities			
Proceeds from non-current borrowings		238.74	141.00
Repayment of non-current borrowings		(86.52)	(387.29)
Repayment of current borrowings (net)		(91.97)	(64.83)
Proceeds from issue of equity share capital		7.03	15.39
Payment on account of lease liabilities		(0.58)	(0.56)
Finance costs		(40.67)	(62.26)
Net cash flow from / (used in) financing activities (C)		**26.03**	**(358.55)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		147.61	(28.27)
Cash and cash equivalents at the beginning of the year		16.12	44.39
Cash and cash equivalents at the end of the year	11	**163.73**	**16.12**
See accompanying notes to the Consolidated financial statements	1-47		

In terms of our report attached.

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

RASHIM TANDON
Partner
Membership No. 95540

Place : Ghaziabad
Date : May 13, 2022

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

1(i) Company background

APL Apollo Tubes Limited ("the Company" or "the Holding Company") is a public limited Company incorporated in India on February 24, 1986 with its registered office at 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in the business of production of ERW steel tubes. The Company has five wholly owned subsidiaries in India, one wholly owned subsidiary in Dubai, United Arab Emirates and one step down subsidiary company in India (the Company and its subsidiaries constitute the Group). The Group has ten manufacturing units, a) three at Sikanderabad, Uttar Pradesh, b) one at Dujana, Uttar Pradesh, c) one at Hosur, Tamilnadu, d) one at Raipur, Chhattisgarh, e) one at Murbad, Maharashtra, f) one at Bengaluru, Karnataka, g) one at Malur, Karnataka and h) one at Chegunta, Hyderabad.

The consolidated financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 13, 2022.

1(ii) Significant accounting policies

The significant accounting policies applied by the Group 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 consolidated 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 consolidated financial statements have been prepared in confirmity 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 consolidated 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 Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Principles of consolidation

The Group consolidates all entities which are controlled by it. The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity’s returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The consolidated financial statements relate to APL Apollo Tubes Limited, the holding Company and its subsidiary companies (hereinafter collectively referred as the Group). The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2022.

b. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.

c. The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies , at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' is determined separately for each subsidiary Company and such amounts are not set off between different entities.

d. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

e. Goodwill arising on consolidation is not amortised but tested for impairment.

f. Following Indian subsidiaries have been considered in the preparation of consolidated financial statements:

- Apollo Metalex Private Limited (a wholly owned subsidiary)
- Shri Lakshmi Metal Udyog Limited (SLMU) (a wholly owned subsidiary)
- Blue Ocean Projects Private Limited (a wholly owned subsidiary)
- APL Apollo Building Products Private Limited (a wholly owned subsidiary)
- APL Apollo Mart Limited (a wholly owned subsidiary)
- Apollo Tricoat Tubes Limited (a step down subsidiary of APL Apollo Tubes Limited)

g. Following foreign subsidiary has been considered in the preparation of consolidated financial statements:

- APL Apollo Tubes FZE

(d) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(e) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Group 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 Group's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

Deferred income tax assets and liabilities

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

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

Income Taxes

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group 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 Group reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of derivative and other financial instruments

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

Estimation of uncertainties relating to the global health pandemic from COVID-19

Post the outbreak of COVID-19, the Group has made an assessment of the likely adverse impact on economic environment in general and potential impact on its operations including the carrying values of its current and non current assets including goodwill, property, plant and equipment and other financial exposure. The Group has also evaluated its lability to meet the financial commitments towards its lenders etc. The Group as of the reporting date has used internal and external sources on the expected future performance of the Group and accordingly does not expect any long term adverse impact of COVID-19 on its ability to recover the carrying value of assets and meeting its financial obligations. However, given the nature of the COVID-19, the Group continues to monitor developments to identify and manage any significant uncertainties relating to its future economic outlook.

(f) Operating cycle

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

(g) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(h) Revenue recognition

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

(i) Sale of goods

The Group 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 Group expects to receive in exchange for those goods. To recognize revenues, the Group 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 Group recognises revenue at point in time.

Any change in scope or price is considered as a contract modification. The Group 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 Group 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 Group 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.

(iv) Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in the Statement of profit or loss on a systematic basis over the expected useful life of the related assets.

The grant which is received to compensate the import cost of assets subject to an export obligation as prescribed in the export promotion capital goods scheme is recognised as income in the statement of profit and loss linked to fulfilment of associated export obligations.

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

(j) 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 consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

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

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

(k) Leases

As a lessee

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

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

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

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

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

(l) Impairment of assets

At each balance sheet date , the Group 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 Group 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.

(m) 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 Group 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.

(n) 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.

(o) 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 Group 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 tangible 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 3 years.

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 Group.

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 10-20 years

(d) Other plant and machinery- 2 to 10 years

(e) Vehicles- 8 years

(f) Furniture and fixtures- 10 years

(g) Office equipment- 2-5 years

(h) 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.

(p) 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.

(q) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(r) 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 net the 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. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

(s) Provisions

Provisions are recognised when the Group 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.

(t) 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 Group 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 Group 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.

(u) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

(v) 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 Group'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 fund, 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, as reduced by fair value of plan assets (being the funded portion).

The Holding Company operates a defined benefit gratuity plan, which requires contributions to be made to a seperately administered fund.

(w) 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 Group 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.

(x) 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.

(y) 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 Group 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 Group for debt and equity instruments is provided as under:

(a) Debt instruments

Depending upon the business model of the Group, 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 Group 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 Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instruments

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

Investment in equity shares

The Group subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The Group has equity investments in three entities which are not held for trading. The Group has elected the FVTOCI irrevocable option for both of these investments (see note 3). Fair value is determined in the manner described in note 42.

(iii) Impairment of financial assets

The Group 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 43 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group 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 Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Group 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 Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- the Group 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 Group has transferred an asset, the Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group 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 Group has not retained control of the financial asset. Where the Group 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 Group 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.

(z) 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 Group or the counterparty.

(aa) Derivative financial instruments

The Group 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.

(ab) Segment Information

The Group 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 Group'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 consolidated financial statements are consistently applied to record revenue and expenditure in individual segments.

The Group is engaged in the business of production of ERW steel tubes. As the Group'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. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

2(a) : Property, Plant and Equipment

(₹ in crore)

	As at March 30, 2022	As at March 30, 2021
Carrying amounts of :		
Freehold land	159.36	129.07
Building	329.90	320.30
Plant and machinery	1,081.68	1,023.20
Office equipments	3.97	2.94
Vehicles	19.83	18.13
Furniture and fixtures	7.00	5.85
Computers	2.40	1.92
	1,604.14	**1,501.41**

	Freehold Land	Building	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Computers	Total
Cost / Deemed cost								
As at April 1, 2020	**125.87**	**353.43**	**1,207.91**	**5.82**	**12.15**	**9.64**	**2.84**	**1,717.66**
Asset re-classified from Assets classified as held for sale (see note 2(f))	1.65	-	-	-	-	-	-	1.65
Additions during the year	1.55	9.90	103.36	0.87	12.17	0.90	1.33	130.08
Sales / transfer during the year	-	(1.19)	(9.19)	-	(1.35)	-	-	(11.73)
Balance at March 31, 2021	**129.07**	**362.14**	**1,302.08**	**6.69**	**22.97**	**10.54**	**4.17**	**1,837.66**
Additions during the year	30.29	23.11	157.28	2.25	5.06	2.43	1.23	221.65
Sales during the year	-	-	(19.00)	-	(1.54)	-	-	(20.54)
Balance at March 31, 2022	**159.36**	**385.25**	**1,440.36**	**8.94**	**26.49**	**12.97**	**5.40**	**2,038.77**
Accumulated depreciation								
As at April 1, 2020	**-**	**29.56**	**205.04**	**2.76**	**4.26**	**3.39**	**1.57**	**246.58**
Elimination on disposal of assets	-	(0.84)	(7.57)	-	(1.25)	-	-	(9.66)
Depreciation expense	-	13.12	81.41	0.99	1.83	1.30	0.68	99.33
Balance at March 31, 2021	**-**	**41.84**	**278.88**	**3.75**	**4.84**	**4.69**	**2.25**	**336.25**
Elimination on disposal	-	-	(6.36)	-	(1.32)	-	-	(7.68)
Depreciation expense	-	13.51	86.16	1.22	3.14	1.28	0.75	106.06
Balance at March 31, 2022	**-**	**55.35**	**358.68**	**4.97**	**6.66**	**5.97**	**3.00**	**434.63**
Net carrying value								
Balance at March 31, 2021	**129.07**	**320.30**	**1,023.20**	**2.94**	**18.13**	**5.85**	**1.92**	**1,501.41**
Balance at March 31, 2022	**159.36**	**329.90**	**1,081.68**	**3.97**	**19.83**	**7.00**	**2.40**	**1,604.14**

Notes :-

(1) Property, plant and equipment as detailed above have been pledged as security for term loans taken as at March 31, 2022. See note 17 & 22 for loans taken against which these assets are pledged.

(2) See note 46(a) for the details of immovable property not held in name of the Group.

2(b) Capital work in progress

(₹ in crore)

Particulars	Building	Plant and machinery	Total
As at April 1, 2020	**5.50**	**4.59**	**10.09**
Add : Additions during the year	34.99	175.85	210.84
Less : Transfer to property, plant and equipment (see note 2(a))	(9.90)	(103.36)	(113.26)
Closing balance as at March 31, 2021	**30.59**	**77.08**	**107.67**
Add : Additions during the year	149.42	426.98	576.40
Less : Transfer to property, plant and equipment (see note 2(a))	(23.11)	(157.28)	(180.39)
Closing balance as at March 31, 2022	**156.90**	**346.78**	**503.68**

See note 46(b) for ageing of capital work in progress.

2(c) Right of use assets and lease liabilities

(₹ in crore)

Particulars	Category of ROU Asset			Total
	Land	Building	Vehicle	
As at April 1, 2020	96.31	0.65	0.10	97.06
Additions	-	-	-	-
Amortisation	(1.55)	(0.56)	(0.01)	(2.12)
Balance as at March 31, 2021	**94.76**	**0.09**	**0.09**	**94.94**
Additions	-	1.61	-	1.61
Amortisation	(1.38)	(0.56)	(0.01)	(1.95)
Balance as at March 31, 2022	**93.38**	**1.14**	**0.08**	**94.60**

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 44-90 years for land, 3 years for building and 3 years for vehicles respectively. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the consolidated statement of Profit and Loss.

(ii) Above ROU assets have been pledged as security for term loans taken as at March 31, 2022. See note 17 & 22 for loans taken against which these assets are pledged.

(iii) ROU asset includes leasehold land located at Murbad, Maharashtra having gross carrying value of ₹1.44 crores (March 31, 2021 : ₹1.44 crores) (net carrying value of ₹1.06 crore as at March 31, 2022, March 31, 2021 : ₹1.08 crore), the title deeds of whose is in the name of Lloyd Line Pipe Limited (LLPL). LLPL was merged with the Company in earlier year under section 230 and section 232 of the Companies Act, 2013 in terms of approval of Hon' National Company Law Tribunal, Principal bench, New Delhi and the land is pending transfer in the name of the Company post merger. The Company is holding the property since September 26, 1994.

(iv) The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021 :

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liability	0.64	0.14
Non-current lease liability	0.01	-
Total	**0.65**	**0.14**

(v) The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021 :

(₹ in crore)

Particulars	As at March 31, 2022	Year ended March 31, 2021
Balance at the beginning	0.14	0.70
Additions	1.09	-
Finance cost accrued during the year	0.03	0.06
Payment of lease liabilities	(0.61)	(0.62)
Balance at the end	**0.65**	**0.14**

(vi) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis :

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	0.58	0.10
One to five years	0.10	-
More than five years	-	-
Total	**0.68**	**0.10**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases is ₹4.44 crore for the year ended March 31,2022 (March 31, 2021 : ₹4.50 crore).

2(d) Goodwill

(₹ in crore)

Particulars	Investment property
As at April 1, 2020	137.50
Add : additions during the year	-
Less : impairment during the year	-
Closing balance as at March 31, 2021	**137.50**
Add : additions during the year	-
Less : impairment during the year	-
Closing balance as at March 31, 2022	**137.50**

Note :

The Holding Company evaluates goodwill for impairment annually or more frequently when an event occurs or circumstances change that indicate the carrying value may not be recoverable. The Holding Company has tested the goodwill for impairment as under :

a) Goodwill related to Shri Lakshmi Metal Udyog Limited

Carrying value of goodwill pertaining to Shri Lakshmi Metal Udyog Limited as at March, 31, 2022 and March 31, 2021 is ₹23.00 crore. Recoverable amount is based on discounted cash flow method under income approach. An analyses of the sensitivity of the computation to a change in key parameters, based on reasonable probable assumptions, did not identify any probable scenario in which the recoverable amount of reporting unit would decrease below its carrying amount.

b) Goodwill related to Apollo Tricoat Tubes Limited

Carrying value of Goodwill pertaining to Apollo Tricoat Tubes Limited as at March 31, 2022 and March 31, 2021 is ₹114.50 crore. Recoverable amount is based on fair value less cost of disposal calculated based on reporting unit's quoted market value.

The Holding Company has carried out required annual testing of goodwill for impairment for all reporting units as of March 31, 2022 and determined that goodwill is not impaired as the fair value of reporting units substantially exceeded their book value.

2(e) Intangible Assets

(₹ in crore)

	Computer Softwares
Cost / deemed cost	
As at April 1, 2020	**6.00**
Additions	0.32
Disposal	-
Balance at March 31, 2021	**6.32**
Additions	0.24
Disposal	-
Balance at March 31, 2022	**6.56**

2(e) Intangible Assets (Contd.)

(₹ in crore)

	Computer Softwares
Amortisation	
As at April 1, 2020	3.27
Amortisation expense	1.21
Elimination on disposal	-
Balance at March 31, 2021	**4.48**
Amortisation expense	0.96
Elimination on disposal	-
Balance at March 31, 2022	**5.44**
Net carrying value	
Balance at March 31, 2021	**1.84**
Balance at March 31, 2022	**1.12**

2(f) Asset classified as held for sale

(₹ in crore)

	Land
As at April 1, 2020	**1.65**
Assets re-classified to property, plant and equipment during the year (see note (ii) below)	(1.65)
Balance at March 31, 2021	**-**
Change during the year	-
Balance at March 31, 2022	**-**

Note :

As at April 1, 2020, Assets classified as held for sale consisted of plot of land whose fair valuation was ₹2.20 crore. The valuation was performed by Government of India approved valuer Mr. Virender Kumar Jain. The fair value measurement categorised as a level 3 fair value based on the inputs of the valuation technique used. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

In previous year ended March 31, 2021, considering the market conditions, management expected that the land would not be sold in a distant future. Accordingly, the land in previous year ceased to be classified as Asset held for sale and was reclassified to Property, plant and equipment.

3 Investment (Non-current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	**Investments in equity instruments carried at fair value through the other comprehensive income - (unquoted, fully paid) :**		
(i)	931,400 (March 31, 2021: 1,371,400) equity shares of ₹10 each fully paid up in Clover Energy Private Limited (see note (i) below)	0.93	1.37
(ii)	350,000 (March 31, 2021 : 542) equity shares of ₹10 each fully paid up in AMPSOLAR Urja Private Limited (see note (ii) below)	0.35	0.01
(iii)	2,900,000 (March 31, 2021: Nil) equity shares of ₹10 each fully paid up in Radiance Ka Sunrise Two Private Limited (see note (iii) below)	2.90	-
	Sub total	**4.18**	**1.38**
(b)	**Investments in equity instruments carried at fair value through the other comprehensive income - (quoted, fully paid) :**		
(i)	1,000,000 equity shares of₹10 each fully paid in Shankara Building Products Limited (March 31, 2021 : Nil) (see note (iv) below)	78.71	-
	Sub total	**78.71**	**-**
(c)	**Investments in equity instruments carried at fair value through profit and loss account - (quoted, fully paid) :**		
(i)	Investment in mutual fund of Union Hybrid Equity Fund - regular plan growth (March 31, 2022 : 99,985 units at NAV of ₹12.42 per unit) (March 31, 2021 : 99,895 units at NAV of ₹10.61 per unit)	0.21	0.10
	Sub total	**0.21**	**0.10**

3 Investment (Non-current) (Contd.)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(d) Investments in compulsory convertible debentures carried at cost - (unquoted, fully paid) :		
(i) 31,500 (March 31, 2021: Nil) compulsory convertible debentures of ₹1,000 each fully paid up in AMPSOLAR Urja Private Limited (see note (ii) below)	3.15	-
Sub total	**3.15**	**-**
Total	**86.25**	**1.48**
Aggregate carrying value / book value of unquoted investment	**7.33**	**1.38**
Aggregate carrying value / book value of quoted investment	**78.92**	**0.10**
Market value of quoted investment	**78.92**	**0.10**

Notes :

(i) The Group (including the subsidiary companies) holds 3.35 % (March 31, 2021 : 4.93 %) equity shares of Clover Energy Private Limited, a Company engaged in the business of providing solar energy to its customers.

(ii) The Group (including the subsidiary companies) holds 10.87 % (March 31, 2021 : 19.50%) equity shares of AMPSOLAR Urja Private Limited, a Company engaged in the business of providing solar energy to its cutomers.

(iii) The Group (including the subsidiary companies) holds 26.00 % (March 31, 2021 : Nil) equity shares of Radiance Ka Sunrise Two Private Limited, a Company engaged in the business of providing solar energy to its cutomers.

(iv) During the quarter ended March 31, 2022, APL Apollo Mart Limited ('Apollo Mart'), a wholly owned subsidiary of APL Apollo Tubes Limited made a minority equity investment in equity shares of Shankara Building Products Limited ('Shankara') through purchase of 1,000,000 equity shares at ₹755.00 each amounting to ₹75.66 crores from promoters through secondary market. The proposed investment has been made to ensure group's growth strategy and consistency in sales.

Further the board of directors of Shankara Building Products Limited have approved issuance of 1,400,000 convertible warrants at a price of ₹750.00 per warrant to Apollo Mart, subject to approval of the members of Shankara and other requisite approvals, if any. Subsequent to year ended March 31, 2022, Shankara made a preferential allotment of 1,400,000 convertible warrants amounting to ₹105.00 crores on May 7, 2022 to Apollo Mart. The total shareholding of Apollo Mart in Shankara as at May 7, 2022 on a fully diluted basis is 9.90% (As at March 31, 2022 : 4.38%).

4 Loans (Non-current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loans to subsidiary company (see note (i) below)	-	-
Total	**0.42**	**-**

Notes :

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

5 Other financial assets (Non-current)

(Unsecured)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claim receivable	0.32	0.37
Less : Provision created for doubtful claims receivable	0.27	0.27
	0.05	**0.10**
(b) Security deposit (considered good)	28.81	26.44
(c) In margin money with maturity more than 12 months	1.12	0.38
Total	**29.98**	**26.92**

6 Non-current tax assets (net)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Advance income tax (net of provision of tax of ₹259.51.57 crore, March 31, 2021 : ₹118.57 crore)	55.11	5.78
	Total	**55.11**	**5.78**

7 Other non-current assets

(Unsecured, considered good)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Capital advances	104.94	115.35
(b)	Prepaid expenses	4.63	3.44
(c)	Value added tax (VAT) credit receivable	0.19	0.66
(d)	Income tax deposit refundable	0.92	-
(e)	Payment under protest (see note below)		
	(i) Excise duty	0.28	0.28
	(ii) Value added tax	1.19	1.35
	(iii) Income Tax	0.46	1.22
	Total	**112.61**	**122.30**

Note :

The Group 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 consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially effect on its consolidated financial statements.

8 Inventories

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Raw material (including stock-in-transit)	313.89	163.48
(b)	Work in progress (including stock-in-transit)	172.47	172.62
(c)	Stock in trade	5.46	4.17
(d)	Finished goods (including stock-in-transit)	313.28	371.80
(e)	Stores and spares	28.78	28.85
(f)	Rejection and scrap (including stock-in-transit)	13.34	19.00
	Total	**847.22**	**759.92**

Note :

(i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to ₹11,312.58 crore (March 31, 2021 : ₹7,246.25 crore).

(ii) Details of stock-in-transit

(₹ in crore)

		As at March 31, 2022	As at March 31, 2021
	Raw material	0.92	10.05
	Work in progress	2.19	4.13
	Finished goods	31.33	79.85
	Rejection and Scrap	6.52	2.18
(iii)	Raw material inventory lying with third party.	-	-
(iv)	Provision for slow moving inventory of stores & spares.	3.02	1.58
(v)	The mode of valuation of inventories has been stated in note 1(ii)(m) of significant accounting policies.		
(vi)	Inventories have been pledged as security towards Company's borrowings from banks.		

9 Investment (Non-current)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	**Investments in equity instruments carried at fair value through profit and loss account - (quoted, fully paid)**		
(i)	Investment in mutual fund of Invesco Mutual Fund - regular plan growth (March 31, 2022 : 1,950,330.407 units at NAV of ₹25.6354 per unit) (March 31, 2021 : Nil units)	5.00	-
	Total	**5.00**	**-**
	Aggregate carrying value of quoted investment	**5.00**	-
	Book value of quoted investment	**5.00**	-
	Market value of quoted investment	**5.00**	-

10 Trade receivables (Current)

(Unsecured)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	**Considered good**		
	(i) Related parties	-	2.32
	(ii) Other than related parties	341.70	128.27
	Sub total	**341.70**	**130.59**
(b)	**Considered doubtful (other than related parties)**	5.88	6.40
	Less: Allowance for doubtful debts (expected credit loss allowance)	(5.88)	(6.40)
	Sub total	-	-
	Total	**341.70**	**130.59**

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

(₹ in crore)

Particulars	As at March 31, 2022
Customer B	42.25
	42.25
% of total trade receivables	12.36

Particulars	As at March 31, 2021
Customer A	14.12
	14.12
% of total trade receivables	10.81

(ii) In determining the allowance for credit losses of trade receivables, the Group 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) Movements in expected credit loss is as below :

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	6.40	7.67
Provison (written back) / Charge in statement of profit and loss	(0.27)	(1.27)
Utilised during the year	(0.25)	-
Balance at the end of the year	**5.88**	**6.40**

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

(₹ in crore)

Particulars	As at March 31, 2022						
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	288.13	52.40	1.11	0.06	-	-	341.70
(c) Undisputed trade receivables - credit impaired	0.62	0.37	0.08	0.10	1.56	3.15	5.88
	288.75	**52.77**	**1.19**	**0.16**	**1.56**	**3.15**	**347.58**
Less : Allowance for credit losses							5.88
Net trade receivables							**341.70**

(₹ in crore)

Particulars	As at March 31, 2021						
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed trade receivables - considered good	106.33	24.17	0.09	-	-	-	130.59
(c) Undisputed trade receivables - credit impaired	0.30	0.28	0.61	1.53	0.08	3.60	6.40
	106.63	**24.45**	**0.70**	**1.53**	**0.08**	**3.60**	**136.99**
Less : Allowance for credit losses							6.40
Net trade receivables							**130.59**

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

(3) Ageing wise % of expected credit loss

Particulars	As at March 31, 2022	As at March 31, 2021
Not yet due	0.00 % to 0.21 %	0.00 % to 0.28 %
Less than six months	0.22 % to 0.71 %	0.29 % to 1.15 %
6 months- 1 year	0.72 % to 6.63 %	1.16 % to 87.14 %
1-2 years	6.64 % to 30.08 %	100.00 %
2-3 years	100.00 %	100.00 %
More than 3 years	100.00 %	100.00 %

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

Note :

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

11 Cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash on hand	0.36	0.20
(b) Balances with banks - in current accounts	12.72	6.30
(c) Balances with banks - in cash credit accounts (see note 22)	-	9.60
(d) Balances with banks - in EEFC accounts	-	0.02
(e) In fixed deposits with maturity of less than 3 months at inception	150.65	-
Total	**163.73**	**16.12**

12 Bank balances other than cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) In earmarked accounts		
(i) Unpaid dividend account	0.46	0.51
(ii) Escrow account	1.58	-
(iii) In margin money with maturity more than 12 months at inception - with banks	205.65	341.30
(iv) In margin money with maturity more than 12 months at inception - with financial institutions	5.00	-
Total	**212.69**	**341.81**

13 Loans (Current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loans to employees	1.29	1.29
Total	**1.29**	**1.29**

14 Other financial assets (Current)

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due on fixed deposits	2.19	1.17
(b) Security deposit	0.01	0.01
(c) Export incentives receivable	5.95	6.64
(d) Claim receivables	0.55	-
(e) Derivative assets (net)	2.30	1.97
Total	**11.00**	**9.79**

15 Other current assets

(Unsecured, considered good unless otherwise stated)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Advance to suppliers	173.69	107.12
Less : Provision for doubtful advances	0.56	0.56
	173.13	**106.56**
(b) Balances with government authorities		
(i) Goods and services tax (GST) credit receivable	62.09	26.84
(ii) Advance Goods and service tax credit on import of goods	0.30	0.16
(c) GST refund receivable	6.54	3.65
(d) Prepaid expenses	1.86	2.11
(e) Value added tax (VAT) credit receivable	0.27	0.27
(f) Payment under protest (see note below)		
(i) Sales Tax Appeal	0.13	0.13
Less : Provision created for doubtful payment under protest	0.13	0.13
	-	**-**
(g) Advance to Employees	0.18	-
Total	**244.37**	**139.59**

Note :

The Group 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 consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially effect on its consolidated financial statements.

16 Equity

16(a) Equity share capital

(₹ in crore)

Particulars	As at March 31, 2022 Number of Shares	As at March 31, 2022 Amount	As at March 31, 2021 Number of Shares	As at March 31, 2021 Amount
Authorised capital				
Equity shares of ₹2 each (March 31, 2021 : ₹2 each) (see note (vii) below)	37,50,00,000	75.00	22,50,00,000	45.00
	37,50,00,000	**75.00**	22,50,00,000	45.00
Issued capital				
Equity shares of ₹2 each (March 31, 2021 : ₹2 each) (see note (vii) & (viii) below)	25,02,80,500	50.06	12,48,96,000	24.98
	25,02,80,500	**50.06**	**12,48,96,000**	**24.98**
Subscribed and fully paid up capital				
Equity shares of ₹2 each (March 31, 2021 : ₹2 each) (see note (vii) & (viii) below)	25,02,80,500	50.06	12,48,96,000	24.98
	25,02,80,500	**50.06**	**12,48,96,000**	**24.98**

(i) Reconciliation of the number of shares and amount outstanding as at March 31, 2022 and March 31, 2021 : (₹ in crore)

Particulars	Number of shares		Amount	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022 (₹ in crore)	As at March 31, 2021 (₹ in crore)
Equity share capital				
Outstanding at the beginning of the year	12,48,96,000	2,48,69,015	24.98	4.97
Add: Issued of shares under Company's employee stock option plan (see note 39(d))	4,88,500	5,50,925*	0.10	0.11
Add: Increase in the number of shares on account of share split (see note (vii) below)	-	9,94,76,060	-	19.90
Add: Increase in the number of shares on account of bonus issue (see note (viii) below)	12,48,96,000	-	24.98	-
Outstanding at the end of the year	**25,02,80,500**	**12,48,96,000**	**50.06**	**24.98**

*before bonus issue during the current year.

(ii) Rights, Preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹2 each (March 31, 2021 : ₹2 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Infrastructure Private Limited	7,80,00,000	31.17%	4,05,00,935	32.43%
Kitara PIIN 1001	1,89,05,648	7.55%	98,38,300	7.88%
SmallCap World Fund INC	1,53,14,090	6.12%	55,23,149	4.42%

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

Name of promoter	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
APL Infrastructure Private Limited	7,80,00,000	31.17%	4,05,00,935	32.43%
Sanjay Gupta	3,50,000	0.14%	1,75,000	0.14%
Veera Gupta	54,20,000	2.17%	29,10,000	2.33%
Rahul Gupta	15,01,000	0.60%	15,01,000	1.20%
Rohan Gupta	11,25,000	0.45%	11,25,000	0.90%
Total	**8,63,96,000**	**34.52%**	**4,62,11,935**	**37.00%**

(v) Change in shares held by promoters during the current year

Name of promoter	Increase / (decrease) in sharholding
APL Infrastructure Private Limited	(1.26)%
Sanjay Gupta	-
Veera Gupta	(0.16)%
Rahul Gupta	(0.60)%
Rohan Gupta	(0.45)%

*Promoter means promoter as defined in the Companies Act, 2013.

(vi) Share options granted under the Company's employee share options plans

As at March 31, 2022, executives and senior employees held options over 387,500 equity shares of ₹ 2 each of the Company (March 31, 2021 : 438,000 equity shares of ₹ 2 each) (see note (vii) & (viii) below). Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in note 39.

(vii) The Board of Directors at their meeting held on October 28, 2020 approved the sub-division of each equity share of face value of ₹ 10 each fully paid up into 5 equity shares of face value of ₹ 2 each fully paid up. The same was approved by the members on December 3, 2020 through postal ballot and e-voting. The effective date of sub-division was December 16, 2020.

(viii) The Board of Directors of APL Apollo Tubes Limited ('Company') in its meeting held on August 6, 2021 have recommended for approval by shareholders, bonus issue of 1 (one) equity share of ₹ 2 each for every 1 (one) equity shares of ₹ 2 each held by shareholders of the Company as on the record date, subject to approval of the shareholders.

Pursuant to the approval of the shareholders through postal ballot (including remote e-voting), the Company alloted 124,896,000 bonus equity shares of ₹ 2 each as fully paid-up bonus equity shares, in the proportion of 1 (One) equity share of ₹ 2 each for every 1 (One) existing equity shares of ₹ 2 each to the equity shareholders of the Company as on record date of September 18, 2021.

Consequently, the Company capitalised a sum of ₹ 24.98 crores from 'other equity' (securities premium) to 'equity share capital'. The earning per share has been adjusted for bonus issue for previous year presented (see note 36).

16(b) Other equity (excluding non-controlling interest)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
	Securities premium	400.98	415.13
	General reserve	39.97	39.97
	Capital Reserve	13.38	13.38
	Retained earnings	1,755.31	1,197.41
	Share option outstanding account	1.58	3.79
	Items of other comprehensive income	2.70	-
	Total	**2,213.92**	**1,669.68**
(1)	**Securities premium**		
	Balance at the beginning of the year	415.13	391.22
	Add: issue of shares under Company's employee stock option plan	10.83	23.91
	Add: issue of bonus shares out of securities premium (see note 16(a)(viii))	(24.98)	-
	Balance at the end of the year	**400.98**	**415.13**
(2)	**General reserve**		
	Balance at the beginning of the year	39.97	39.97
	Balance at the end of the year	**39.97**	**39.97**
(3)	**Capital reserve**		
	Balance at the beginning of the year	13.38	13.38
	Balance at the end of the year	**13.38**	**13.38**
(4)	**Retained earnings**		
	Balance at the beginning of the year	1,197.41	877.57
	Add : net profits attributable to owners of the Company	557.90	361.51

15(b) Other equity (Contd.)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
	Less : adjustment arising from change in non-controlling interests	-	(41.67)
	Balance at the end of the year	**1,755.31**	**1,197.41**
(5)	**Share option outstanding account**		
	Balance at the beginning of the year	3.79	9.14
	Add : addition during the year	1.69	3.28
	Less : Transfer to securities premium reserve	(3.90)	(8.63)
	Balance at the end of the year	**1.58**	**3.79**
(6)	**Items of other comprehensive income**		
	Balance at the beginning of the year	-	-
	Add: Equity instruments through other comprehensive income	2.70	-
	Balance at the end of the year	**2.70**	**-**

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 Indian 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) **Capital reserve :** The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as capital reserve. The reserve is not available for distribution.

(iv) **Retained earnings :** It represents unallocated/un-distributed profits of the Group. 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.

(v) **Share option outstanding account :** The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share option outstanding account is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme. (see note 39)

(vi) **Items of other comprehensive income :** It represents profits / (loss) of the Group which will not be reclassified to statement of profit or loss. In previous year, this also represented gain on fair valuation of investments in Apollo Tricoat Tubes Limited ('ATTL') which was carried at fair value through the other comprehensive income.

16(c) Non-controlling interests (NCI)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	138.30	95.42
Less: Adjustment for changes in ownership interests	-	(4.53)
Add: Share of profit for the year	61.69	47.54
Add: Share of other comprehensive income for the year	0.04	(0.13)
Balance at the end of the year	**200.03**	**138.30**

The table below shows details of non-wholly owned subsidiary of the Group that have material NCI :

Name of subsidiary	Principal place of business / place of incorporation	Percentage of ownership interests and voting rights held by NCI	Profit allocated to NCI for the year	NCI carrying value
As at March 31, 2022				
Apollo Tricoat Tubes Limited	Karnataka / New Delhi	44.18	61.69	200.03
As at March 31, 2021				
Apollo Tricoat Tubes Limited	Karnataka / New Delhi	44.18	47.54	138.30

Summarised financial information in respect of the Group subsidiary that has material NCI is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Name of subsidiary	As at March 31, 2022	As at March 31, 2021
Apollo Tricoat Tubes Limited		
Current assets	204.10	102.27
Non-current assets	503.18	354.15
Current liabilities	188.36	69.43
Non-current liabilities	74.92	82.73
Equity attributable to owners of the Company	444.00	304.26
Non-controlling interests	200.03	138.30

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	2,732.11	1,472.81
Expenses	2,547.50	1,335.36
Profit for the year	139.65	105.01
Profit attributable to owners of the Company	77.96	57.47
Profit attributable to the non-controlling interests	61.69	47.54
Profit for the year	**139.65**	**105.01**
Other comprehensive (loss) attributable to owners of the Company	0.05	(0.17)
Other comprehensive (loss) attributable to the non-controlling interests	0.04	(0.13)
Other comprehensive (loss) for the year	**0.09**	**(0.30)**
Total comprehensive income attributable to owners of the Company	78.01	57.30
Total comprehensive income attributable to the non-controlling interests	61.73	47.41
Total comprehensive income for the year	**139.74**	**104.71**
Dividends paid to non-controlling interests	-	-
Net cash inflow from operating activities	238.41	114.79
Net cash (outflow) from investing activities	(176.91)	(49.66)
Net cash (outflow) from financing activities	(18.21)	(60.09)
Net cash inflow	**43.29**	**5.04**

17 Borrowings (Non-current)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) From banks		
Term Loan:		
(i) Secured (see note (i) below)	346.94	183.44
Vehicle Loan:		
(i) Secured (see note (i) below)	-	0.03
(b) From others		
Loan : Unsecured loan (see note (ii) below)	0.23	-
Total	**347.17**	**183.47**

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
(i) Term loan from banks are secured as follows:				
In case of Holding Company :				
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 15 quarterly instalments commencing from April 2021 and ending in October 2024. Applicable rate of interest is 5.58 % (March 31, 2021 : 7.75%).	19.45	11.11	30.56	11.11
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 15 quarterly instalments commencing from April 2021 and ending in October 2024. Applicable rate of interest is 5.58 % (March 31, 2021 : 7.75%)	38.89	22.22	61.11	22.22
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 11 quarterly instalments commencing from June 2021 and ending in December 2023. Applicable rate of interest is 4.15%. Closing balance of loan as on March 31, 2022 is USD 4,603,002 (March 31, 2021 : USD 7,233,289) equivalent to ₹34.88 crore (March 31, 2021 : ₹52.88 crore).	14.06	20.82	32.81	20.07

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrow-ings	Current borrow-ings	Non current borrow-ings	Current borrow-ings
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding was repayable in one instalment in June 2021. During the year, loan has been fully repaid. Applicable rate of interest was 7.65% as at March 31, 2021.	-	-	-	1.57
In case of Apollo Metalex Private Limited :				
Term Loan facilities are secured by first pari passu 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 and Plot No. 22, Industrial Area, Sikandarabad. Credit facilities are further secured by second charge on the entire present and future, current assets of the Company. Credit facilities are further secured by personel guarantees of the Mr. Sanjay Gupta and Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited. The Loan outstanding as at balance sheet date was repayable in 3 quarterly instalments commencing from April 2021 and ending in October 2021 of ₹1.94 crores each. Applicable rate of interest as on March 31, 2021 was 7.25%. (March 31, 2020 : 8.00% - 9.00%). During the year, loan has been fully repaid.	-	-	-	5.82
Term Loan facilities are secured by first pari passu 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 and Plot No. 22, Industrial Area, Sikandarabad. Credit facilities are further secured by second charge on the entire present and future current assets of the Company. Credit facilities are further secured by personel guarantees of the Mr. Sanjay Gupta and Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited. The Loan outstanding as at balance sheet date was repayable in 12 quarterly instalments commencing from June, 2021 and ending in March 2024 of ₹1.25 crores each. Applicable rate of interest as on March 31, 2021 was 6.95%%. (March 31, 2020 : 9.05% - 9.25%). During the year, loan has been fully repaid.	-	-	10.00	5.00
In case of Apollo Tricoat Tubes Limited :				
Term loan facilities are secured by first charge through equitable mortgage of the Company land and building situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh. Term loan facilities are secured by first charge on building and second charge on land situated at Malur, Kolar, Karnataka. Term Loan facilities are further secured by way of first charge on entire present and future movable property, plant and equipment of the Company situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Credit facilities are further secured by second charge on the entire present and future current assets of the Company, by personal guarantee of Mr. Sanjay Gupta and corporate guarantee of APL Apollo Tubes Limited ultimate holding Company. The loan outstanding is repayable in 7 unequal half yearly installments commencing from November 2021 and ending in May 2025. Applicable rate of interest is 5.58% p.a. (linked with 3 month Treasury Bill) (March 31, 2021: 7.25% p.a. (linked with 6 months Marginal cost of funds based landing rate(MCLR)).	8.29	3.17	11.46	3.03

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrow-ings	Current borrow-ings	Non current borrow-ings	Current borrow-ings
Term loan facilities are secured by first charge through equitable mortgage of the Company land and building situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh. Term loan facilities are secured by first charge on building and second charge on land situated at Malur, Kolar, Karnataka. Term Loan facilities are further secured by way of first charge on entire present and future movable property, plant and equipment of the Company situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Credit facilities are further secured by second charge on the entire present and future current assets of the Company, by personal guarantee of Mr. Sanjay Gupta and corporate guarantee of APL Apollo Tubes Limited, ultimate holding Company. The loan outstanding is repayable in 15 quarterly installments commencing from September 2021 and ending in December 2025. Applicable Rate of Interest is 5.59% p.a. (linked with 3 month Treasury Bill) (March 31, 2021: 7.25% p.a. (linked with 6 months Marginal cost of funds based landing rate(MCLR)).	27.50	10.00	37.50	10.00
Vehicle Loan is secured by way of hypothecation of respective vehicle and repayable in 36 monthly installments commencing from February 2021. As on March 31, 2022 there were 22 installments outstanding. Applicable rate of interest is 7.75% p.a (March 31, 2021 : 7.75% p.a.).	0.02	0.02	0.03	0.02
In case of APL Apollo Building Products Limited				
Term loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 5.40% p.a.	25.00	-	-	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from April 2023 and ending in January 2027. Applicable Rate of Interest is 5.39% p.a.	25.00	-	-	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from April 2023 and ending in January 2027. Applicable Rate of Interest is 5.39% p.a.	25.00	-	-	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2023 and ending in March 2027. Applicable Rate of Interest is 5.35% p.a.	50.00	-	-	-

(₹ in crore)

	As at March 31, 2022		As at March 31, 2021	
	Non current borrow-ings	Current borrow-ings	Non current borrow-ings	Current borrow-ings
Term loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 5.40% p.a.	113.73	-	-	-
(ii) Interest free loan from UPFC				
In case of Apollo Metalex Private Limited :				
The Company has a received a interest free loan from UPFC (Uttar Pradesh Financial Corporation) of ₹0.33 crore payable in Financial year 2026-2027. Using prevailing market interest rates for an equivalent loan of 7.50% in the year of grant, the fair value of loan is estimated at ₹0.22 crore. The difference of ₹0.11 crore between the gross proceeds and the fair value of the loan is the benefit derived from the interest free loan and is recognised as deferred income.	0.23	-	-	-
Total	**347.17**	**67.34**	**183.47**	**78.84**

18 Other financial liabilities (Non-current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Deferred payment (see note (i) & (ii) below)	0.85	1.00
	Total	**0.85**	**1.00**

Note :

(i) The Company has a deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan is estimated at ₹0.85 crore as on March 31, 2022 (March 31, 2021 : ₹0.78 crore). The difference of ₹0.20 crore (March 31, 2021 : ₹0.27 crore) between the gross proceeds and the fair value of the loan is the benefit derived from the interest free deferred liability and is recognised as deferred income. (See note 21 & 25)

(ii) In Apollo Metalex Private Limited, the Company has a received a interest free loan from UPFC (Uttar Pradesh Financial Corporation) of ₹0.33 crore repayable in Financial year 2026-2027. Using prevailing market interest rates for an equivalent loan of 7.50% in the year of grant, the fair value of loan is estimated at ₹0.22 crore as at March 31, 2021. The difference of ₹0.11 crore between the gross proceeds and the fair value of the loan is the benefit derived from the interest free loan and is recognised as deferred income (see note 21 and 25).

19 Provisions (Non-current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Provision for compensated absences	6.40	5.38
(b)	Provision for gratuity (see note 38)	10.53	11.06
	Total	**16.93**	**16.44**

20 Deferred Tax Liabilities (net)

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

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Deferred tax liabilities on account of		
- Property, plant and equipments and other intangible assets	120.19	111.65
- Investment	0.60	-
- Right of use assets	1.62	1.77
- Others	0.78	1.22
- Arising on business combination	2.92	3.15
Total deferred tax liabilities (A)	**126.11**	**117.79**
(ii) Deferred tax assets on account of		
- Provision for expected credit loss allowance	1.52	1.65
- Preliminary expenses	0.35	-
- Provision for employee benefit expenses	5.53	4.98
- Others	-	-
Total deferred tax assets (B)	**7.40**	**6.63**
Disclosed as deferred tax liabilities (Net - A-B)	**118.71**	**111.16**

(b) Movement in deferred tax liabilities / asset	As at April 1, 2020	(Profit) / Loss Recognised in profit or loss	Deferred tax expense of earlier year	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2021
Deferred tax liabilities (A)					
Property, plant and equipments and other intangible assets	101.55	9.36	0.74	-	111.65
Right of use assets	1.77	-	-	-	1.77
Arising on business combination	3.58	(0.43)	-	-	3.15
Others	0.74	0.48	-	-	1.22
Total	**107.64**	**9.41**	**0.74**	**-**	**117.79**
Deferred tax assets (B)					
Provision for employee benefit expenses	4.44	0.96	-	(0.42)	4.98
Provision for expected credit loss allowance	1.95	(0.30)	-	-	1.65
Others	0.09	(0.09)	-	-	-
Total	**6.48**	**0.57**	**-**	**(0.42)**	**6.63**
Deferred tax liabilities (Net - A-B)	**101.16**	**8.84**	**0.74**	**0.42**	**111.16**

Movement in deferred tax liabilities / asset	As at April 1, 2021	(Profit) / Loss Recognised in profit or loss	Deferred tax expense of earlier year	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2022
Deferred tax liabilities (A)					
Property, plant and equipments and other intangible assets	111.65	8.54	-	-	120.19
Right of use assets	1.77	(0.15)	-	-	1.62
Investment	-	-	-	0.60	0.60
Arising on business combination	3.15	(0.23)	-	-	2.92
Others	1.22	(0.44)	-	-	0.78
Total	**117.79**	**7.72**	**-**	**0.60**	**126.11**
Deferred tax assets (B)					
Provision for employee benefit expenses	4.98	0.77	-	(0.22)	5.53
Preliminary expenses	-	0.35	-	-	0.35
Provision for expected credit loss allowance	1.65	(0.13)	-	-	1.52
	6.63	**0.99**	**-**	**(0.22)**	**7.40**
Deferred tax liabilities (Net - A-B)	**111.16**	**6.73**	**-**	**0.82**	**118.71**

21 Other Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Deferred income - government grant for		
- Purchase of equipment (see note (i) below)	75.17	75.23
- Interest free loan (see note (ii) below)	0.09	0.11
- deferred liability related to sales tax (see note (iii) below)	0.14	0.20
Total	**75.40**	**75.54**

Note :

(i) Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. The income is recognised in Profit or loss on a straight line basis over the useful life of the related assets. (see note 37(b)(2)).

(ii) A subsidiary company has received a interest free loan of ₹0.33 crore from UPFC repayable in Financial year 2026-2027. Using prevailing market interest rates for an equivalent loan of 7.50% in the year of grant, the fair value of loan is estimated at ₹0.22 crore as at March 31, 2021. The difference of ₹0.11 crore between the gross proceeds and the fair value of the loan is the benefit derived from the interest free loan and is recognised as deferred income.

(iii) The Company has a deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in the year ending March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan is estimated at ₹0.85 crore as on March 31, 2022 (March 31, 2021 : ₹0.78 crore). The difference of ₹0.20 crore (March 31, 2021 : ₹0.27 crore between the gross proceeds and the fair value of the loan is the benefit derived from the interest free deferred liability and is recognised as deferred income. .

22 Borrowings (Current)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loan repayable on demand		
- From banks (Secured)		
(i) Working capital facilities (see note (i) below)	166.06	258.02
(b) Current Maturity of Non current loans (see note 17)	67.34	78.84
Total	**233.40**	**336.86**

Nature of security :

(i) In case of holding Company

Working capital facilities of APL Apollo Tubes Limited from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255.

Working capital facilities are further secured by second charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.

In case of Apollo Metalex Private Limited

Working capital facilities from banks are secured by first pari passu charge on entire present and future current assets and second pari passu charge on entire present and future movable and immovable property, plant and equipment of the Company situated at A-2, Industrial Area, Sikandarabad, UP and A-25, Industrial Area, Sikandarabad, UP. Credit facilities are further secured by personal gurantees of the Mr. Sanjay Gupta and Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited (the Holding Company).

In case of Shri Lakshmi Metal Limited

(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 KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibele, Anekal Taluk, Banglore. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited.

In case of Apollo Tricoat Tubes Limited

Working capital facilities from banks are secured by first pari passu charge on entire present and future current assets and second pari passu charge on entire present and future movable and immovable property, plant and equipment of the Company situated at A-2, Industrial Area, Sikandarabad, UP and A-25, Industrial Area, Sikandarabad, UP. Credit facilities are further secured by personal gurantees of the Mr. Sanjay Gupta and Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited (the Holding Company).

23 Trade payables (Current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Total outstanding dues of micro enterprises and small enterprises (MSME) (see note 46(c))	8.22	5.70
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,051.23	780.15
	Total	**1,059.45**	**785.85**

Outstanding for following periods from date of transaction :

Particulars	As at March 31, 2022					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	8.22	-	-	-	8.22
Total outstanding dues of creditors other than MSME	107.71	942.13	0.45	0.01	0.93	1,051.23
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	107.71	**950.35**	**0.45**	**0.01**	**0.93**	**1,059.45**

Outstanding for following periods from date of transaction :

Particulars	As at March 31, 2021					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	5.70	-	-	-	5.70
Total outstanding dues of creditors other than MSME	111.04	667.51	0.22	-	1.38	780.15
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	111.04	**673.21**	**0.22**	**-**	**1.38**	**785.85**

24 Other financial liabilities (Current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Security deposit	0.98	1.00
(b)	Payable on purchase of property, plant and equipment	10.14	6.96
(c)	Retention money payable	4.75	2.37
(d)	Unclaimed dividends	0.47	0.51
(e)	Interest accrued but not due on borrowings	1.28	1.19
	Total	**17.62**	**12.03**

25 Other current liabilities

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Statutory remittances	20.38	18.64
(b)	Advance from customers	28.12	11.67
(c)	Deferred income (see note 21)		
	- Purchase of equipment	4.75	4.47
	- Deferred liability related to sales tax	0.07	0.07
	Total	**53.32**	**34.85**

26 Provisions (Current)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Provision for compensated absences	0.58	0.52
(b)	Provision for gratuity (see note 38)	0.88	0.71
	Total	**1.46**	**1.23**

27 Current tax liabilities (net)

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Provision for tax (net of advance tax ₹185.05 crore, March 31, 2021 : ₹175.41 crore)	63.44	7.42
	Total	**63.44**	**7.42**

28 Revenue from operations

(₹ in crore)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Sale of products (see note (i) below)	12,625.17	8,214.88
(b)	Other operating revenue (see note (ii) below)	438.15	284.87
	Total	**13,063.32**	**8,499.75**

Notes :

(i) Reconciliation of revenue recognised with contract price :

(₹ in crore)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Contract price	12,927.63	8,455.87
	Adjustments for:		
	Discount & incentives	(302.46)	(240.99)
	Revenue from operations	**12,625.17**	**8,214.88**
(ii)	**Other operating income comprises :**		
	Sale of scrap	431.25	278.69
	Export incentives	6.62	6.16
	Job work	0.10	0.02
	Total	**437.97**	**284.87**

29 Other income

(₹ in crore)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Interest income on fixed deposit	12.93	19.34
(b)	Interest income on others	2.80	1.37
(c)	Profit on sale of property, plant and equipment (net)	-	-
(d)	Gain on foreign currency transactions (net)	14.04	1.87
(e)	Provision written back for expected credit loss	0.27	1.27
(f)	Profit on derivatives measured at fair value through profit & loss account	0.28	1.08
(g)	Miscellaneous income (see note below)	10.18	11.01
	Total	**40.50**	**35.94**

Note :

Miscellaneous income includes (a) unwinding of deferred income of ₹4.56 crores (March 31, 2021 : ₹4.03 crores), (b) subvention interest income on export packing credit facilities of ₹2.15 crores (March 31, 2021 : ₹5.89 crores) and (c) other miscellaneous income of ₹3.47 crores (March 31, 2021 : ₹1.09 crores).

30 Cost of materials consumed

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories of raw material as at the beginning of the year	163.48	247.94
Add: Purchases during the year	11,060.00	7,075.13
Less: Inventories of raw material as at the end of the year	313.89	163.48
Total	**10,909.59**	**7,159.59**

31 Changes in inventories of finished goods, stock in trade, work-in-progress, rejection and scrap

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year:		
(a) Finished goods	313.28	371.80
(b) Stock in trade	5.46	4.17
(c) Work in progress	172.47	172.62
(d) Rejection and scrap	13.34	19.00
	504.55	**567.59**
Inventories at the beginning of the year:		
(a) Finished goods	371.80	361.44
(b) Stock in trade	4.17	-
(c) Work in progress	172.62	134.17
(d) Rejection and scrap	19.00	9.66
	567.59	**505.27**
Total	**63.04**	**(62.32)**

32 Employee benefits expense

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	139.75	116.35
(b) Contribution to provident fund (see note 38)	5.63	4.97
(c) Gratuity expense (see note 38)	3.06	2.77
(d) Share-based payments to employees (see note 39)	1.69	3.28
(e) Staff welfare expenses	2.91	2.26
Total	**153.04**	**129.63**

Note : During the year, the Group recognised an amount of ₹12.52 crore (March 31, 2021 ₹9.07 crore) as remuneration to key managerial personnel. The details of such remuneration is as below :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Short term employee benefits	11.77	8.77
(ii) Post employment benefits (Gratuity expense)	0.40	0.16
(iii) Other long term employee benefits (Leave encashment expense)	0.35	0.14
	12.52	**9.07**

33 Finance costs

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense :		
(i) working capital facilities	27.25	27.00
(ii) term loan	11.32	30.04
(iii) vehicle loan	0.01	0.01
(iv) on account of leases	0.03	0.06
(v) delayed payment of income tax	-	1.85
	38.61	**58.96**
(b) Other borrowing cost	5.86	7.13
Total	**44.47**	**66.09**

34 Depreciation and amortisation expense

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation on property, plant and equipment (see note 2(a))	106.06	99.33
(b) Amortisation on right of use assets (see note 2(c))	1.95	2.12
(c) Amortisation on intangible assets (see note 2(e))	0.96	1.21
(d) Depreciation on capital work in progress	-	0.11
Total	**108.97**	**102.77**

35 Other expenses

(₹ in crore)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Freight outward	396.14	268.66
(b)	Power and fuel	155.80	102.70
(c)	Consumption of stores and spare parts	89.47	81.45
(d)	Advertisement and sales promotion	34.79	23.47
(e)	Rent expense	4.44	4.50
(f)	Travelling and conveyance	7.07	3.11
(g)	Legal and professional charges (see note (i) below)	8.36	5.87
(h)	Job work charges	0.05	0.11
(i)	Repair and maintenance:		
	(i) Building	1.04	0.37
	(ii) Plant and machinery	9.46	6.15
	(iii) Others	2.64	2.46
(j)	Rates and taxes	4.65	2.81
(k)	Security services	3.20	2.96
(l)	Allowance for doubtful advances	-	0.56
(m)	Allowance for doubtful claims receivable	0.27	0.27
(n)	Allowance for doubtful payment under protest	0.13	0.13
(o)	Bad debts written off	0.25	-
(p)	Loss on sale of property, plant and equipment (net)	0.37	0.04
(q)	Corporate social responsibility (see note 46(d))	7.23	5.33
(r)	Insurance	1.79	1.94
(s)	Provision for slow moving inventory of stores and spares	1.44	1.02
(t)	Miscellaneous expenses	13.31	12.70
	Total	**741.90**	**526.61**
	Note :-		
(i)	Legal and professional charges include auditor's remuneration (excluding indirect taxes) as follows :		
	(a) To statutory auditors		
	For audit (including quarterly limited reviews)	1.50	1.20
	For other services	0.01	0.02
	Reimbursement of expenses	0.01	0.01
	Total	**1.52**	**1.23**
	(b) To cost auditors for cost audit	0.04	0.04
	Total	**0.04**	**0.04**

36 Earnings per Equity share

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

(₹ in crore, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share	557.29	360.16
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	24,99,18,500	24,91,50,536
Adjustments for calculation of diluted earnings per share (Employee stock option)(Number)	3,87,500	8,76,000
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	25,03,06,000	25,00,26,536
Nominal value of equity shares (see note 16(a)(vii))	2	2
(a) Basic earnings per share in Rupees	22.30	14.46
(b) Diluted earnings per share in Rupees	22.26	14.40

Note : In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended March 31, 2022 and March 31, 2021 has been arrived at after giving effect to the above sub-division and bonus issue. Also see note 16(a)(vii) & (viii).

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

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Contingent liabilities (for pending litigations)		
(1) Disputed claims/levies in respect of sales tax :		
- Reversal of input tax credit	6.71	8.00
- Classification of goods	0.36	0.36
- Provisional Assessment	2.40	2.40
	9.47	**10.76**
(2) Disputed claims/levies in respect of excise duty :		
- Availability of input credit	10.28	10.28
- Excise demand on excess / shortages	6.72	6.72
	17.00	**17.00**
(3) Disputed claims/levies in respect of service tax :		
- Availability of input credit	0.94	0.94
(4) Disputed claims/levies in respect of Income Tax	2.28	5.68
(5) Contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952 (see note (i) below)	-	-
Total	**29.69**	**34.38**

Note :

(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 Group if any, can not be ascertained.

(ii) The Group 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 consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially effect on its consolidated financial statements.

(b) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
(1) Estimated amount of contracts remaining to be executed on capital account and not provided for		
(i) Property, plant and equipments	266.18	424.26

(2) The Group 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 Group has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Group is required to export of FOB value of ₹313.65 crore (March 31, 2021 ₹267.47 crore) against which the Group has saved a duty of ₹52.28 crore (March 31, 2021 ₹44.58 crore).

(3) The Group has entered in Power Supply Agreement with a Vendor. As per agreement, the Group is required to draw an 'Annual Contracted Quantity' of 55 Lacs KWH for a period of 5 years having estimated power purchase price of ₹3.08 crore (March 31, 2021 : ₹3.08 crore).

(4) The holding company has given corporate guarantees on behalf of its subsidiaries i.e. Apollo Metalex Private Limited, Shri Lakshmi Metal Udyog Limited, Apollo Tricoat Tubes Limited and APL Apollo Building Products Private Limited for loans and credit facilities taken by them from banks and financial institutions. The loan outstanding as at March 31, 2022 of Apollo Metalex Private Limited is ₹3.65 crore (March 31, 2021 ₹70.43 crore), Shri Lakshmi Metal Udyog Limited is ₹1.20 crore (March 31, 2021 ₹Nil crore), Apollo Tricoat Tubes Limited is ₹48.99 crore (March 31, 2021 ₹62.03 crore) and APL Apollo Building Products Private Limited is ₹238.74 crores (March 31, 2021 ₹Nil crore).

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

(c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

38 Employee benefit obligations

(₹ in crore)

Particulars	As at March 31, 2022		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.88	10.53	11.41
Total employee benefit obligations	**0.88**	**10.53**	**11.41**

Particulars	As at March 31, 2021		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.71	11.06	11.77
Total employee benefit obligations	**0.71**	**11.06**	**11.77**

(a) Defined benefit plans

a) Gratuity

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 ₹0.20 crore (Previous Year ₹0.20 crore). Vesting occurs upon completion of 5 years of service.

During the year, the Company has made contribution of ₹2.50 crore (March 31, 2021 : ₹1.00 crore) to APL Apollo Tubes Limited Employees Group Gratuity Trust which has made further contribution to Kotak Mahindra Life Insurance Co. Ltd.

(b) Defined contribution plans

The Group 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 Group recognised ₹5.63 crore (Year ended March 31, 2021 ₹4.97 crore) for Provident Fund contributions in the statement of profit and loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(c) Movement of defined benefit obligation:

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

(₹ in crore)

Particulars	Gratuity
Opening balance as at April 1, 2020	**12.69**
Current service cost	1.96
Interest expense/(income)	0.86
Expected return on plan assets	(0.05)
Total amount recognised in profit or loss	**2.77**
Remeasurements	

(₹ in crore)

Particulars	Gratuity
effect of change in financial assumptions	(0.16)
effect of change in demographic assumptions	-
effect of experience adjustments	(1.49)
changes in asset ceiling	0.01
Total amount recognised in other comprehensive income	**(1.64)**
Employer contributions: Benefit payments	(0.66)
Balance as at March 31, 2021	**13.16**
Balance as at March 31, 2021	**13.16**
Current service cost	2.22
Interest expense/(income)	0.94
Expected return on plan assets	(0.10)
Total amount recognised in profit or loss	**3.06**
Remeasurements	
effect of change in financial assumptions	(0.56)
effect of change in demographic assumptions	(0.02)
effect of experience adjustments	(0.32)
changes in asset ceiling	0.03
Total amount recognised in other comprehensive income	**(0.87)**
Employer contributions: Benefit payments	(0.31)
Balance as at March 31, 2022	**15.04**

(d) Movement of Plan Assets

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	1.39	0.69
Contribution by the employer	2.50	1.00
Expected return on plan assets	0.10	0.04
Acturial gains / (loss)	(0.03)	(0.01)
Benefits paid	(0.33)	(0.33)
Closing balance	**3.63**	**1.39**

(e) Net asset / (liability) recognised in the Balance Sheet

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of defined benefit obligation	15.04	13.16
Less : Fair value of plan assets	3.63	1.39
Funded status- Surplus/ (Deficit)	**(11.41)**	**(11.77)**
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	**(11.41)**	**(11.77)**

(f) Category of assets

Funds managed by insurer	100.00%	100.00%

(g) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate	7.53%	7.09%
Salary growth rate	8.00%	8.00%
Expected return on assets	7.09%	6.77%
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.

(h) The Group expects to make a contribution of ₹8.84 crores (March 31, 2021: ₹9.83 crores) to the defined benefit plans during the next financial year.

(i) Sensitivity analysis

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

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity		
Discount rate (increase by 1%)	(1.81)	(1.64)
Salary growth rate (increase by 1%)	2.15	1.96

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity		
Discount rate (decrease by 1%)	2.18	2.00
Salary growth rate (decrease by 1%)	(1.82)	(1.64)

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.

(j) 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.

(k) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 16.32 to 19.23 years. (March 31, 2021 : 16.95 to 19.77 years)

The expected maturity analysis of undiscounted gratuity is as follows:

(₹in crore)

Particulars	Year ended March 2022	Year ended March 2021
Less than a year	0.90	0.72
Between 1 - 1 years	0.46	0.33
Between 2 - 3 years	0.87	0.58
Between 3 - 4 years	1.20	0.83
Between 4 - 5 years	0.86	1.10
Beyond 5 years	10.41	8.10
Total	**14.70**	**11.66**

39 Share Based Payments

(a) Employee Share Option Plan :

(i) The ESOS scheme titled Employee Stock Option Scheme 2015 (ESOS 2015) was approved by the shareholders through postal ballot on July 27, 2015 and December 22, 2015. 7,50,000 options are covered under the Scheme for 750,000 Equity shares (before giving effect of share split and bonus issue).

(ii) During the financial year 2015-16, the Nomination and Remuneration Committee in its meeting held on July 28, 2015 has granted 724,000 options respectively under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹452.60 per share.

(iii) During the financial year 2016-17, the Nomination and Remuneration Committee in its meeting held on January 28, 2017 has granted 45,000 options under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,028.80 per share.

(iv) During the financial year 2017-18, the the Nomination and Remuneration Committee in its meeting held on September 9, 2017 and February 5, 2018 has granted 96,000 and 70,000 options respectively, under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,633.05 and ₹2,124.10 respectively per share.

(v) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 has granted 95,000 options under the ESOS to eligible employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 5 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,438.55 per share.

(vi) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 also recommended reduction in exercise price of options granted on September 9, 2017 and February 5, 2018 to reflect the fall in Company's share prices. The same was approved by shareholders of the Company on January 27, 2020 through postal ballot. The revised exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of reduction in exercise price. The revised exercise price has been determined at ₹1,438.55 per share.

(b) The following share based payment arrangements were in existence during the current and prior years:

Number of options granted (before giving effect of share split and bonus issue)	Grant Date	Expiry Date	Exercise Price (see note below) (Amount in Rupees)	Fair Value at grant date (Amount in Rupees)
7,24,000	July 28, 2015	January 26, 2020	452.60	168.88
46,000	January 28, 2017	July 29, 2021	1,028.80	354.56
96,000	September 9, 2017	October 3, 2022	1,438.55	602.36
70,000	February 5, 2018	August 6, 2022	1,438.55	751.34
95,000	November 9, 2019	May 9, 2024	1,438.55	466.08

The earlier exercise price of the options granted on September 9, 2017 and February 5, 2018 were ₹1633.05 & ₹2,124.10 respectively. The exercise price of there options has been reduced in earlier year (see note (a)(vi) above.

(c) Fair value of option granted/ modified

(i) No options were granted during the year ended March 31, 2022 and March 31, 2021.

(ii) During the previous year ended March 31, 2020, the incremental fair value of the options granted on September 9, 2017 and February 5, 2018 due to modification were determined at Rupees 131.46 and ₹372.36 respectively which has been recognised as expense over the period from the modifcation date to the end of vesting period. The expense of original option grant will continue to be recognised as if the terms had not been modified.

The incremental fair value of the options has been determined using the Black Scholes Model with the following model inputs :

Particulars	Original Grant on September 9, 2017	Original Grant on February 5, 2018
Modification date share price (before giving effect of share split)	1,438.55	1,438.55
Revised exercise Price (before giving effect of share split)	1,438.55	1,438.55
Expected volatility	33.49%-34.96%	33.28%-33.96%
Option remaining life	1.31-2.12	1.51-2.53
Dividend yield	0.80%	0.80%
Risk-free interest Rate	5.45%-5.70%	5.70%-6.23%

(d) Movement in share option during the year (see note (f) below)

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of options	Weighted Average Exercise Price (Amount in Rupees)	Number of options	Weighted Average Exercise Price (Amount in Rupees)
Balance at the beginning of the year	876,000#	143.86	2,167,480#	141.73
Granted during the year	-	-	-	-
Vested during the year	467,500	143.86	508,750	140.53
Lapsed during the year	-	-	1,89,630	-
Forfeited during the year	-	-	-	-
Exercised during the year	4,88,500	143.86	11,01,850	139.67
Expired during the year	-	-	-	-
Options outstanding at the end of the year	387,500$	143.86	876,000$	143.86
Options available for grant	2,18,360	-	2,18,360	-

#As at March 31, 2022, Nil options were vested but not exercised.

$As at March 31, 2021, 314,835 options were vested but not exercised.

(e) Share option exercised (see note (f) below) :

(₹in crore)

Share option exercised during the year ended March 31, 2022	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date
Granted on September 09, 2017 & November 9, 2019	3,13,500	November 17, 2021	907.90
Granted on February 05, 2018	1,75,000	March 10, 2022	873.46

(₹in crore)

Share option exercised during the year ended March 31, 2021	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date
Granted on January 28, 2017, February 05, 2018 & September 09, 2017	5,63,640	August 31, 2020	240.31
Granted on September 09, 2017	1,20,710	October 22, 2020	296.23
Granted on November 9, 2019	1,18,750	November 19, 2020	323.49
Granted on November 9, 2019	75,000	December 31, 2020	441.50
Granted on February 05, 2018	1,75,000	March 2, 2021	578.70
Granted on January 28, 2017	48,750	March 18, 2021	609.80

(f) Disclosures for March 31, 2022 and March 31, 2021 have been made after giving effect to the share split & bonus issue. See note 16(a)(vi) & (vii) also.

(g) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions, i.e., employee share option plan during the year recognised in profit or loss as part of employee benefit expense is ₹1.69 crore (net of amount cross charged to subsidiaries) (March 31, 2021 ₹3.28 crore).

(h) No option expired during the year.

40 Related party transaction :

(a) Details of related parties :	Name of related parties
(i) Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Sanjay Gupta (Chairman and Managing Director) Mr. Vinay Gupta (Brother of Mr. Sanjay Gupta and Managing Director of Apollo Metalex Private Limited) Mr. Romi Sehgal (Director) Mr. Deepak Goyal (Chief Financial Officer) Mr. Deepak C S (Company Secretary) Mr. Rahul Gupta (Son of Mr. Sanjay Gupta, Director of APL Apollo Tubes Limited and Managing Director of Apollo Tricoat Tubes Limited)
(ii) Relative of KMP (with whom transactions have taken place during the year)	Mrs. Neera Gupta (Wife of Mr. Sanjay Gupta) Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta) Mr. Rohan Gupta (Son of Mr. Sanjay Gupta)
(iii) Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	APL Infrastructure Private Limited Apollo Pipes Limited

	Particulars	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total (₹ in crore)
(b)	**Transactions during the year**				
	Sale of goods (net of discounts)				
	Apollo Pipes Limited	-	-	1.22	1.22
		(-)	(-)	(0.96)	(0.96)
		-	**-**	**1.22**	**1.22**
		(-)	**(-)**	**(0.96)**	**(0.96)**
	Sale of scrap (other operating revenue)				
	Apollo Pipes Limited	-	-	-	-
		(-)	(-)	(0.03)	(0.03)
			-	**-**	**-**
		(-)	**(-)**	**(0.03)**	**(0.03)**
	Sale of licenses				
	Apollo Pipes Limited	-	-	-	-
		(-)	(-)	(1.91)	(1.91)
		-	**-**	**-**	**-**
		(-)	**(-)**	**(1.91)**	**(1.91)**
	Purchase of stores and consumables				
	Apollo Pipes Limited	-	-	0.78	0.78
		(-)	(-)	(0.64)	(0.64)
		-	**-**	**0.78**	**0.78**
		(-)	**(-)**	**(0.64)**	**(0.64)**
	Purchase of property, plant and equipment				
	Apollo Pipes Limited	-	-	-	-
		(-)	(-)	(0.01)	(0.01)
		-	**-**	**-**	**-**
		(-)	**(-)**	**(0.01)**	**(0.01)**
	Purchase of stock-in-trade (net of discounts)				
	Apollo Pipes Limited	-	-	-	-
		(-)	(-)	(2.72)	(2.72)
		-	**-**	**-**	**-**
		(-)	**(-)**	**(2.72)**	**(2.72)**
	Purchase of raw material (net of discounts)				
	Apollo Pipes Limited	-	-	2.61	2.61
		(-)	(-)	(0.74)	(0.74)
		-	**-**	**2.61**	**2.61**
		(-)	**(-)**	**(0.74)**	**(0.74)**
	Rent paid				
	APL Infrastructure Private Limited	-	-	0.06	0.06
		(-)	(-)	(0.06)	(0.06)
	Apollo Pipes Limited	-	-	0.34	0.34
		(-)	(-)	(0.14)	(0.14)
	Mrs. Neera Gupta	-	0.02	-	0.02
		(-)	(0.03)	(-)	(0.03)
	Mrs. Saroj Rani Gupta	-	-	-	-
		(-)	(0.01)	(-)	(0.01)
	Mrs. Vandana Gupta	-	0.02	-	0.02
		(-)	(0.02)	(-)	(0.02)
		-	**0.05**	**0.40**	**0.44**
		(-)	**(0.06)**	**(0.20)**	**(0.26)**
	Salary				
	Mr. Sanjay Gupta	3.50	-	-	3.50
		(3.50)	(-)	(-)	(3.50)
	Mr. Vinay Gupta	1.80	-	-	1.80

	Particulars	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total (₹ in crore)
		(1.80)	(-)	(-)	(1.80)
	Mr. Romi Sehgal	1.33	-	-	1.33
		(0.96)	(-)	(-)	(0.96)
	Mr. Deepak Goyal	4.06	-	-	4.06
		(2.58)	(-)	(-)	(2.58)
	Mr. Deepak C S	0.30	-	-	0.30
		(0.23)	(-)	(-)	(0.23)
	Mr. Rohan Gupta	-	0.05	-	0.05
		(-)	(-)	(-)	(-)
	Mr. Rahul Gupta	1.20	-	-	1.20
		(1.20)	(-)	(-)	(1.20)
		12.19	**0.05**	**-**	**12.24**
		(10.27)	**(-)**	**(-)**	**(10.27)**
(c)	**Balances outstanding at the end of the year**				
	Security deposits given				
	Mrs. Neera Gupta	-	3.00	-	3.00
		(-)	(3.00)	(-)	(3.00)
	Mrs. Vandana Gupta	-	3.00	-	3.00
		(-)	(3.00)	(-)	(3.00)
	APL Infrastructure Private Limited	-	-	5.00	5.00
		(-)	(-)	(5.00)	(5.00)
		-	**6.00**	**5.00**	**11.00**
		(-)	**(6.00)**	**(5.00)**	**(11.00)**
	Trade payables				
	APL Infrastructure Private Limited	-	-	0.02	0.02
		(-)	(-)	(-)	(-)
	Apollo Pipes Limited	-	-	0.31	0.31
		(-)	(-)	(0.13)	(0.13)
	Mr. Sanjay Gupta	0.54	-	-	0.54
		(0.19)	(-)	(-)	(0.19)
	Mr. Vinay Gupta	0.10	-	-	0.10
		(-)	(-)	(-)	(-)
	Mr. Deepak Goyal (net of advances recoverable)	0.06	-	-	0.06
		(0.01)	(-)	(-)	(0.01)
	Mr. Deepak C S (net of advances recoverable)	0.02	-	-	0.02
		(0.01)	(-)	(-)	(0.01)
	Mr. Rohan Gupta	-	0.01	-	0.01
		(-)	(-)	(-)	(-)
	Mr. Rahul Gupta	0.20	-	-	0.20
		(-)	(-)	(-)	(-)
		0.92	**0.01**	**0.33**	**1.26**
		(0.21)	**(-)**	**(0.13)**	**(0.34)**

Notes :

(1) Figures in the bracket relates to previous year ended March 31, 2021.

(2) Amount of expense of gratuity and compensated absences is taken on actuarial basis.

(3) The term loan and other credit facilities of the Group are also secured by personal guarantee of directors of the Company, Mr. Sanjay Gupta and Mr. Vinay Gupta.

41 Income tax expense

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

(₹in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax as per consolidated statement of profit and loss	**832.32**	**545.79**
Income tax expenses calculated as per tax rates of Income tax act of 25.168% (March 31, 2021 : 25.168%)	209.48	137.37
(i) Items not deductible	3.86	0.19
Total (A)	**213.34**	**137.56**
Tax related to previous years		
(i) Income tax expense of earlier year	-	(0.21)
(ii) Deferred tax expense of earlier year (see note 20)	-	0.74
Total (B)	**-**	**0.53**
Tax expense as reported (A+B)	**213.34**	**138.09**

42 Fair value measurements

(₹in crore)

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2022 and March 31, 2021.

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets - Non Current						
Investments						
- in equity instruments	0.21	82.89	3.15	0.10	-	-
Security deposit	-	-	28.81	-	-	26.44
Loans to employees	-	-	0.42	-	-	-
In margin money with maturity more than 12 months	-	-	1.12	-	-	0.38
Claim receivable (net of provision)	-	-	0.05	-	-	0.10
Financial assets - Current						
Loans to employees	-	-	1.29	-	-	1.29
Claim receivable	-	-	0.55	-	-	-
Security deposit	-	-	0.01	-	-	0.01
Investment	5.00	-	-	-	-	-
Trade receivables	-	-	341.70	-	-	130.59
Cash and cash equivalents	-	-	163.73	-	-	16.12
Bank balances other than cash and cash equivalents	-	-	212.69	-	-	341.81
Export incentives	-	-	5.95	-	-	6.64
Derivative assets	2.30	-	-	1.97	-	-
Interest accrued but not due on fixed deposits	-	-	2.19	-	-	1.17
Total financial assets	**7.51**	**82.89**	**761.66**	**2.07**	**-**	**524.55**
Financial liabilities - Non current						
Borrowings	-	-	347.17	-	-	183.47
Deferred payment	-	-	0.85	-	-	1.00
Lease liabilities	-	-	0.01	-	-	-
Financial liabilities - current						
Borrowings	-	-	233.40	-	-	336.86
Security Deposits	-	-	0.98	-	-	1.00
Unclaimed dividends	-	-	0.47	-	-	0.51
Interest accrued but not due on borrowings	-	-	1.28	-	-	1.19
Lease liabilities	-	-	0.64	-	-	0.14
Trade payables	-	-	1,074.34	-	-	795.18
Total financial liabilities	**-**	**-**	**1,659.14**	**-**	**-**	**1,319.35**

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Level 1	Level 2	Level 1	Level 2
Financial assets - Non Current				
- Assets for foreign currency forward contracts	-	2.30	-	1.97
- Investment in mutual funds	0.21	-	0.10	-
- Investment in equity instruments	82.89	-	-	
Financial assets - Current				
- Investment in mutual funds	5.00	-	-	-
Total financial assets	**88.10**	**2.30**	**0.10**	**1.97**

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

(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.

43 Financial risk management objectives

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

(a) Market risk

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

(i) Foreign currency risk

The Group's functional currency in Indian Rupees (INR). The Group undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports, primarily in relation to import of capital goods. The Group 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 Group's overall debt positions in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivable in foreign currency. In order to hedge exchange rate risk, the Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. At any point in time, the Group 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 Group hedges its payable as and when the exposure arises.

Details of derivative instruments and unhedged foreign currency exposure :-

(1) The position of foreign currency exposure to the Group as at the end of the year are as follows :

(a)	Option Outstanding	Buy/Sell	As at March 31, 2022	As at March 31, 2021
	In USD	Buy	46,03,002	72,33,289
	Equivalent amount in Rupees in crore		34.88	52.88
	In USD	Sell	46,03,002	72,33,289
	Equivalent amount in Rupees in crore		34.88	52.88

(b)	Forward contract outstanding	Buy/Sell	As at March 31, 2022	As at March 31, 2021
	In USD	Sell	-	1,02,48,782
	Equivalent amount in Rupees in crore	Sell	-	74.93

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

Currency	As at March 31, 2022	As at March 31, 2021
Receivables:		
USD	96,67,877	5,39,901
Equivalent amount in Rupees in crore	73.27	3.95
EURO	3,22,191	64,701
Equivalent amount in Rupees in crore	2.70	0.56
Payables:		
USD	4,37,250	2,74,000
Equivalent amount in Rupees in crore	3.31	2.00
Advance paid to vendors:		
USD	17,83,918	42,08,033
Equivalent amount in Rupees in crore	13.52	30.82
EURO	6,43,558	3,70,203
Equivalent amount in Rupees in crore	5.40	3.18
Advance Received from Customers:		
USD	1,26,733	29,33,629
Equivalent amount in Rupees in crore	0.96	21.45
EURO	28,951	-
Equivalent amount in Rupees in crore	0.24	-

Sensitivity

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

(₹ in crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
EURO sensitivity		
INR/EURO Increases by 2.5% (March 31, 2021 - 2.5%)	(0.05)	(0.01)
INR/EURO Decreases by 2.5% (March 31, 2021 - 2.5%)	0.05	0.01
USD sensitivity		
INR/USD Increases by 2.5% (March 31, 2021 - 2.5%)	(1.31)	(0.04)
INR/USD Decreases by 2.5% (March 31, 2021 - 2.5%)	1.31	0.04

(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 Group 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 Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Group has exposure to interest rate risk, arising principally on changes in base lending rate. The Group 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 Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts.

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	545.69	467.40
Fixed rate borrowings	34.88	52.93
Total borrowings	**580.57**	**520.33**

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

Particulars	Balance (₹ in crore)	% of total loans
As at March 31, 2022		
Bank overdrafts, bank loans, Cash Credit	545.69	94%
As at March 31, 2021		
Bank overdrafts, bank loans, Cash Credit	467.40	90%

Sensitivity

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

(₹ in Crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest rates – increase by 50 basis points (50 bps)	(2.04)	(1.75)
Interest rates – decrease by 50 basis points (50 bps)	2.04	1.75

(b) Credit risk (see note 10)

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

Group's trade receivables are generally categories 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, Group 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 Group 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 :

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Floating rate borrowings	1,278.94	1,256.98
Nature of facility	Working Capital	Working Capital

(ii) Maturities of financial liabilities

The table below analyses the Group'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 :-

(₹ in crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2022				
Borrowings (interest bearing)	233.40	347.17	-	580.57
Interest accrued but not due on borrowings	1.28	-	-	1.28
Trade payables	1,074.34	-	-	1,074.34
Security Deposits	0.98	-	-	0.98
Lease liabilities (interest bearing)	0.64	0.01		0.65
Deferred payment (interest bearing)	-	0.85	-	0.85
Unclaimed dividends	0.47	-	-	0.47
Total non-derivative liabilities	**1,311.11**	**348.03**	**-**	**1,659.14**
As at March 31, 2021				
Borrowings (interest bearing)	336.86	183.47	-	520.33
Interest accrued but not due on borrowings	1.19	-	-	1.19
Trade payables	795.18	-	-	795.18
Security Deposits	1.00	-	-	1.00
Lease liabilities (interest bearing)	0.14	-	-	0.14
Deferred payment (interest bearing)	-	0.78	0.22	1.00
Unclaimed dividends	0.51	-	-	0.51
Total non-derivative liabilities	**1,134.88**	**184.25**	**0.22**	**1,319.35**

44 Reconciliation of liabilities arising from financing activities

(₹ in crore)

Particulars	As at March 31, 2021	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2022
Non-current borrowings	183.47	165.79	(2.09)	347.17
Current borrowings	336.86	(103.46)	-	233.40
Total liabilities from financing activities	**520.33**	**62.33**	**(2.09)**	580.57

(₹ in crore)

Particulars	Opening balance as at April 1, 2020	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2021
Non-current borrowings	404.32	(218.55)	(2.30)	183.47
Current borrowings	429.43	(92.57)	-	336.86
Total liabilities from financing activities	**833.75**	**(311.12)**	**(2.30)**	**520.33**

45 Capital management

(a) Risk management

The Group 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 Group'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 Group 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 Group is not subject to any externally imposed capital requirements.

The Group 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 Group 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.

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Non current borrowings	347.17	183.47
Current borrowings	233.40	336.86
Less: Cash and cash equivalents	(163.73)	(16.12)
Less: Bank balances other than cash and cash equivalents	(212.69)	(341.81)
Net debt	**204.15**	**162.40**
Total equity	**2,263.98**	**1,694.66**
Gearing Ratio	**0.09**	**0.10**

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

46 Additional regulatory information

(a) Below are the title deed of immovable property not held in the name of the Company

(i) In the books of APL Apollo Tubes Limited

Particulars	As at March 31, 2022	As at March 31, 2021
Relevant line items in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Building	Building
Gross carrying value (Rupees in crores)	1.47	1.47
Title deeds held in the name of	Llyod Line Pipes Limited	Llyod Line Pipes Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	23-Nov-08	23-Nov-08
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger	Pending transfer in name of the Company post merger

(ii) In the books of Apollo Tricoat Tubes Limited

Particulars	As at March 31, 2022	As at March 31, 2021
Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Land at Dujana plant	Land at Dujana plant
Gross carrying amount (Amount in ₹Crores)	9.06	9.06
Title deeds held in the name of	Potential Investments and Finance Limited	Potential Investments and Finance Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	26-Dec-15	26-Dec-15
Reason for not being held in the name of the Company	Refer note below	Refer note below

Note : Potential Investments and Finance Limited is the erstwhile name of the Company. Company was incorporated on January 12, 1983.

(iii) In the books of Apollo Tricoat Tubes Limited

Particulars	As at March 31, 2022	As at March 31, 2021
Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Land at Attibele depot	Land at Attibele depot
Gross carrying amount (Amount in ₹ Crores)	5.24	5.24
Title deeds held in the name of	Best Steel Logistics Limited	Best Steel Logistics Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	14-Oct-16	14-Oct-16
Reason for not being held in the name of the Company	Refer note below	Refer note below

Note : Potential Investments and Finance Limited changed its name to Best Steel Logistics Limited on September 6, 2016.

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

(₹ in crores)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2022
Less than 1 year	466.79	-	466.79
1-2 years	30.55	6.34	36.89
2-3 years	-	-	-
More than 3 years	-	-	-
Total	**497.34**	**6.34**	**503.68**

(₹ in crores)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2021
Less than 1 year	106.58	-	106.58
1-2 years	0.59	-	0.59
2-3 years	0.49	-	0.49
More than 3 years	-	-	-
Total	**107.66**	**-**	**107.66**

(c) 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:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) The principal amount remaining unpaid to supplier as at the end of the year	8.22	5.70
(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	**8.22**	**5.70**

(d) 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:

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	Amount required to be spent as per section 135 of Companies Act, 2013	7.23	5.33
(ii)	Amount of expenditure in the books of accounts	7.23	5.33
(iii)	Actual expenditure	5.30	2.75
(iv)	Provision made for liability	1.93	2.58
(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	5.30	2.75
(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

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the rules"), the Group has subsequent to balance sheet date has deposited amount of ₹1.93 crore (March 31, 2021 : ₹1.58 crore) to a separate bank account.

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

(e) Financial ratios as per the Schedule III requirements

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Current Ratio	1.28	1.19
	Current Ratio = Current Assets / Current Liabilities		
	% change from previous year	7.66%	
(ii)	Debt-Equity Ratio	0.09	0.10
	Debt-Equity Ratio = Net Debt[1] / Shareholder's Equity		
	% change from previous year	(5.91) %	
(iii)	Debt Service Coverage Ratio	5.92	1.27
	Debt Service Coverage Ratio = Earnings available for debt service[2] / Debt service[3]		
	% change from previous year	364.64%	
	Reason for change more than 25%	See note (a) below	
(iv)	Return on Equity Ratio	31.27%	26.73%
	Return on Equity Ratio= Net Profit after tax / Average Shareholder's Equity		
	% change from previous year	17.00%	
(v)	Inventory turnover ratio	16.26	11.01
	Inventory turnover ratio= Sales / Average inventory		
	% change from previous year	47.66%	
	Reason for change more than 25%	See note (a) below	
(vi)	Trade receivables turnover ratio	55.32	28.01
	Trade receivables turnover ratio= Sales / Average trade receivables		
	% change from previous year	97.51%	
	Reason for change more than 25%	See note (a) below	
(vii)	Trade payables turnover ratio	12.36	9.33
	Trade payables turnover ratio= Net purchases / Average trade payables		
	% change from previous year	32.46%	
	Reason for change more than 25%	See note (a) below	

	Particulars	As at March 31, 2022	As at March 31, 2021
(viii)	Net capital turnover ratio	32.85	38.51
	Net capital turnover ratio= Sales / Working capital		
	% change from previous year	(14.69) %	
(ix)	Net Profit Ratio	4.74	4.80
	Net Profit Ratio= Profit after tax / Sales		
	% change from previous year	(1.22) %	
(x)	Return on capital employed	33.91	31.12
	Return on capital employed = Earning before interest and taxes(4) / Capital employed(5)		
	% change from previous year	8.97%	
(xi)	Return on investment	3.68%	5.67%
	Return on investment= Income generated from invested funds / average invested funds in treasury investments		
	% change from previous year	(35.09) %	
	Reason for change more than 25%	See note (b) below	

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

(b) Due to decrease in bank deposits and interest rates during the year.

(f) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(g) Disclosures under Rule 11(e)(i) of the Company (Audit & Auditors) Rule, 2014 :

Particulars	For the year ended March 31, 2022
Name of investee	APL Apollo Tubes Limited
Date	March 21, 2022
Amount	75.66 crores
Nature of fund	Investment
Name of Intermediary Company	APL Apollo Mart Limited
Relationship	Wholly-owned subsidiary

Particulars	For the year ended March 31, 2022
Name of Intermediary Company	APL Apollo Mart Limited
Date	March 21, 2022
Amount	75.66 crores
Nature of fund	Investment
Ultimate beneficiary	Shankara Building Products Limited
Relationship	-

(h) Disclosures under Rule 11(e)(ii) of the Company (Audit & Auditors) Rule, 2014 :

No funds (which are material either individually or in the aggregate) have been received by the Group (other than as disclosed under 46(g) above) from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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.

(i) Disclosures under Rule 11(f) of the Company (Audit & Auditors) Rule, 2014 - Dividends

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Final dividend for the year ended March 31, 2022 of ₹3.50 (March 31, 2021– Rupees Nil) (excluding dividend distribution tax)	87.60	-
Dividends not recognised at the end of the reporting period	87.60	-

The Board of Directors have recommended a final dividend of ₹3.50 per share for the year ended March 31, 2022 which is subject to the approval of the shareholders in the ensuing annual general meeting.

(j) The Board of Directors of APL Apollo Tubes Limited ("Company"), at its meeting held on February 27, 2021, has considered and approved a draft scheme of amalgamation ('scheme') under Sections 230 to 232 of the Companies Act, 2013, of Shri Lakshmi Metal Udyog Limited ('Shri Lakshmi' – wholly owned subsidiary company) and Apollo Tricoat Tubes Limited ('Apollo Tricoat' – subsidiary company of wholly owned subsidiary) with the Company. Requisite no objection certificate from BSE Limited, approvals from the shareholders and creditors of the Company have been received. The Scheme is subject to sanction of the Hon'ble NCLT.

47 Disclosure of additional information as required by Schedule III to the Companies Act, 2013 :

(a) As at March 31, 2022 and for the year ended March 31, 2022

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rupees in crore	As % of consolidated profit or loss	Rupees in crore	As % of consolidated other comprehensive income	Rupees in crore	As % of total comprehensive income	Rupees in crore
A. Holding Company								
APL Apollo Tubes Limited	52.76%	1,745.09	45.94%	287.13	13.43%	0.45	45.77%	287.58
B. Wholly owned subsidiares								
a) Indian								
(1) Shri Lakshmi Metal Udyog Limited	8.59%	283.96	10.89%	68.06	1.19%	0.04	10.84%	68.10
(2) Apollo Metalex Private Limited	14.10%	466.45	21.32%	133.27	2.38%	0.08	21.22%	133.35
(3) Blue Ocean Private Limited	1.00%	32.96	(0.02)%	(0.13)	0.00%	-	(0.02)%	(0.13)
(4) APL Apollo Building Products Private Limited	7.76%	256.56	(0.25)%	(1.57)	0.00%	-	(0.25)%	(1.57)
(5) APL Apollo Mart Limited	2.33%	77.05	(0.23)%	(1.41)	80.30%	2.69	0.20%	1.28
b) Foreign								
(1) APL Apollo Tubes FZE	0.04%	1.48	(0.01)%	(0.05)	0.00%	-	(0.01)%	(0.05)
C. Step down subsidiary								
a) Indian								
(1) Apollo Tricoat Tubes Limited	13.42%	444.00	22.36%	139.65	2.70%	0.09	22.25%	139.74
Total	**100.00%**	**3,307.55**	**100.00%**	**624.95**	**100.00%**	**3.35**	**100.00%**	**628.30**
Adjustment due to consolidation		(1,043.57)		(5.97)		-		(5.97)
Consolidated Net Assets/ Profit		**2,263.98**		**618.98**		**3.35**		**622.33**

(b) As at March 31, 2021 and for the year ended March 31, 2021

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rupees in crore	As % of consolidated profit or loss	Rupees in crore	As % of consolidated other comprehensive income	Rupees in crore	As % of total comprehensive income	Rupees in crore
A. Holding Company								
APL Apollo Tubes Limited	59.30%	1,448.79	37.95%	153.78	91.19%	1.11	38.11%	154.89
B. Wholly owned subsidiares								
a) Indian								
(1) Shri Lakshmi Metal Udyog Limited	8.83%	215.86	11.37%	46.05	19.72%	0.24	11.39%	46.29
(2) Apollo Metalex Private Limited	13.63%	333.10	25.33%	102.64	13.97%	0.17	25.30%	102.81
(3) Blue Ocean Private Limited	0.66%	16.05	(0.03)%	(0.12)	0.00%	-	(0.03)%	(0.12)
(4) APL Apollo Building Products Private Limited	4.25%	103.82	(0.46)%	(1.87)	0.00%	-	(0.46)%	(1.87)
b) Foreign								
(1) APL Apollo Tubes FZE	0.88%	21.42	(0.08)%	(0.32)	0.00%	-	(0.08)%	(0.32)
C. Step down subsidiary								
a) Indian								
(1) Apollo Tricoat Tubes Limited (w.e.f June 17, 2019)	12.45%	304.25	25.92%	105.01	(24.88)%	(0.30)	25.77%	104.71
Total	**100.00%**	**2,443.29**	**100.00%**	**405.17**	**100.00%**	**1.22**	**100.00%**	**406.39**
Adjustment due to consolidation		(748.62)		2.53		-		2.53
Consolidated Net Assets/ Profit		**1,694.66**		**407.70**		**1.22**		**408.92**

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

VINAY GUPTA
Director
DIN : 00005149

DEEPAK GOYAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Ghaziabad
Date : May 13, 2022

NOTE

Corporate Information

Chairman & Managing Director
Mr. Sanjay Gupta (DIN: 00233188)

Vice Chairman
Mr. Ashok K. Gupta (DIN: 01722395)

Directors
Mr. Virendra Singh Jain (DIN: 00253196)
Ms. Neeru Abrol (DIN: 01279485)
Mr. Abhilash Lal (DIN: 03203177)
Mr. Anil Kumar Bansal (DIN: 06752578)
Mr. Vinay Gupta (DIN: 00005149)
Mr. Romi Sehgal (DIN: 03320454)
Mr. Rahul Gupta (DIN: 07151792)
Mr. Ameet Kumar Gupta (DIN: 00002838)

Chief Financial Officer
Mr. Deepak Goyal

Chief Operating Officer
Mr. Arun Agarwal

Chief Strategy Officer
Mr. Anubhav Gupta

Company Secretary
Mr. Deepak C S

Registered Office
37, Hargobind Enclave, Vikas Marg,
Delhi – 110092

Corporate Office
36, Kaushambi, Near Anand Vihar
Terminal, Ghaziabad
Uttar Pradesh - 201010
Tapasya Corp. Heights, 4th Floor,
Sector-126, Noida,
Uttar Pradesh-201303

Registrar & Share Transfer Agent
Abhipra Capital Limited
A387, Dilkush Industrial Area,
G.T. Karnal Road
Azadpur, Delhi – 110 033

Auditors
Statutory Auditors
Deloitte Haskins & Sells, LLP
Chartered Accountants
7th Floor, Building 10, Tower B,
DLF Cyber City Complex,
DLF City Phase - II,
Gurgaon – 122002

Cost Auditors
R. J. Goel & Co., Cost Accountants
31, Community Centre,
2nd Floor, Ashok Vihar, Phase - I,
Delhi – 110052

Secretarial Auditors
Parikh & Associates,
Company Secretaries
111, 11th Floor, Sai-Dwar CHS Ltd,
Sab TV Lane, Opp Laxmi Industrial Estate
Off Link Road, Above Shabari
Restaurant,
Andheri (W), Mumbai: 400053

Internal Auditors
Ernst & Young LLP
Golf View Corporate Tower B,
Golf Course Road, Sector 42,
Gurugram, Haryana 122002

Bankers
State Bank of India
Union Bank of India
Bank of Baroda
HDFC Bank Limited
Axis Bank Limited
Kotak Mahindra Bank Limited
HSBC Bank Limited
Citibank N. A.

Works
Unit-I
A-19 & 20, Industrial Area,
Sikandrabad,
Distt. Bulandshahar, (U.P.)

Unit-II
No.332-338, Alur Village
Perandapalli, Hosur (Tamil Nadu)

Unit-III
Plot No. M-1, Additional MIDC Area,
Murbad, Thane, Maharashtra-421401

Unit-IV
Village Bendri, Near Urla Industrial Area,
Raipur, Chhattisgarh-492001

Unit-V
Survey No. 443,444,538,539 Wadiaram
village, Chegunta (Mandal),
Medak district, Telengana- 502255

Subsidiaries Plant Locations
Apollo Metalex Private Limited
Unit-I: A-25, Industrial Area,
Sikandrabad,
Distt. Bulandshahar, (U.P.)
Unit-II: Plot No. 22, Industrial Area,
Sikandrabad,
Distt. Bulandshahar, (U.P.)

Shri Lakshmi Metal Udyog Limited
No. 9 to 11, KIADB Industrial Area
Attibele, Bengaluru – 562107

Apollo Tricoat Tubes Limited
Unit-I: Plot No. 53, Part-1, 4th Phase,
Industrial Area,
Sy. No. 28-33, Kurandhalli Village,
Kasaba Hobli, Malur, Taluk,
Distt. Kolar-563130, Karnataka.
Unit-II: Village Bisnoli, Khasra No. 527 To
530 & 569, Dujana Road, Tehsil Dadri,
Gautam Budh Nagar,
Uttar Pradesh -203207

Apollo Building Products Pvt. Ltd.
Village- Rigni, Kesda, Tahsil-
Simga, Distt.- Baloda Bazar-
Bhatapara, Chhattisgarh-493113

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