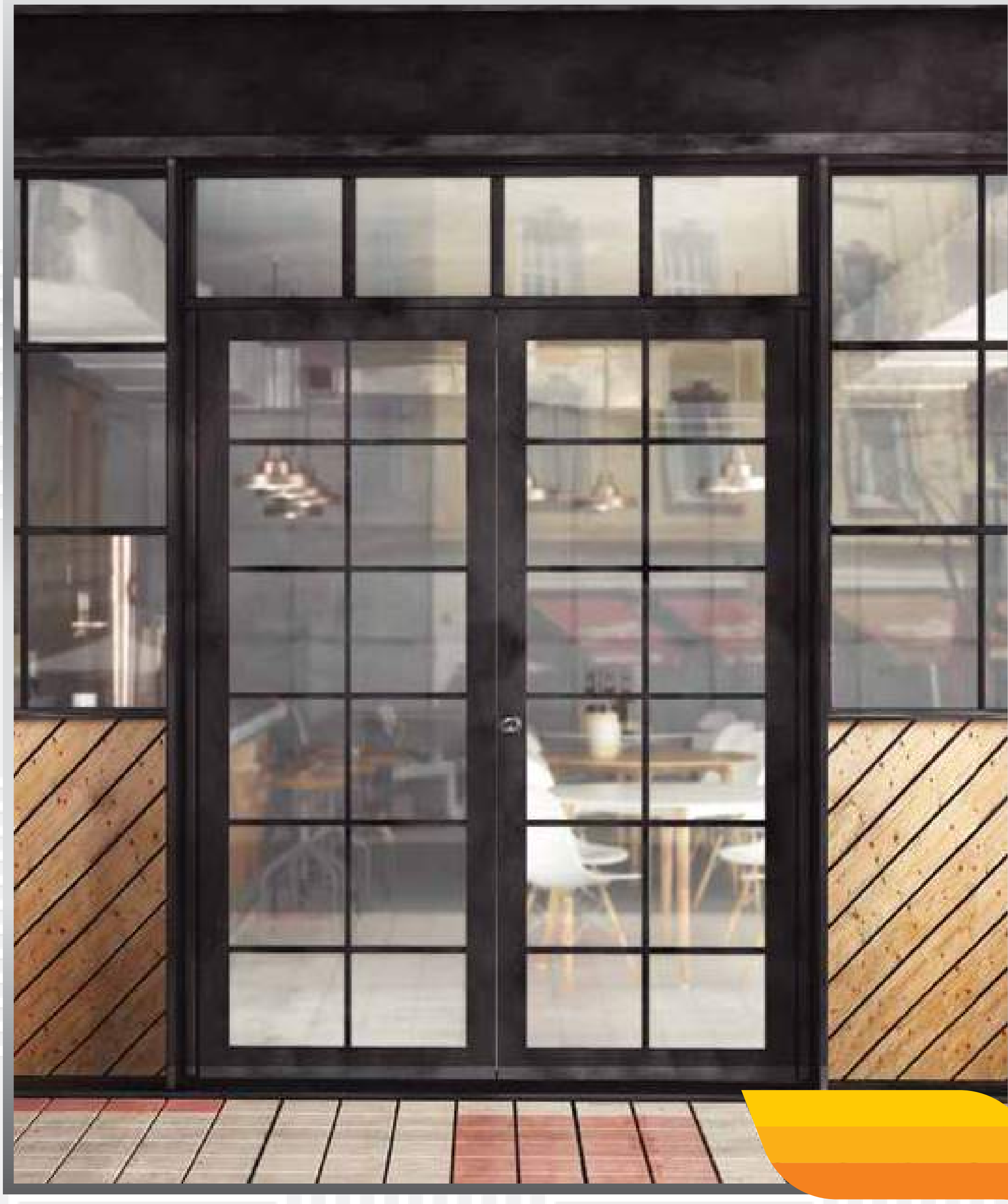
Apollo TriCoat

THREE STEPS AHEAD



APOLLO TRICOAT TUBES LIMITED

ANNUAL REPORT 2021-22

CONTENTS

PART of the APL Apollo Group and headquartered in New Delhi, India, Apollo TriCoat (TriCoat) is one of the leading steel pipe and tube manufacturers in India with its manufacturing facilities at Malur district in Karnataka, and at Dadri, Uttar Pradesh. Laced with world-class technology imported from the US, TriCoat manufactures steel pipes and tubes used in home renovation and improvement.

IN the **capable leadership of Shri Rahul Gupta at the helm,** supported by an experienced and professional management team, TriCoat strive to create products that are durable and aesthetically pleasing and have potential to replace wooden furniture and fixtures and other conventional materials, while contributing towards environment.

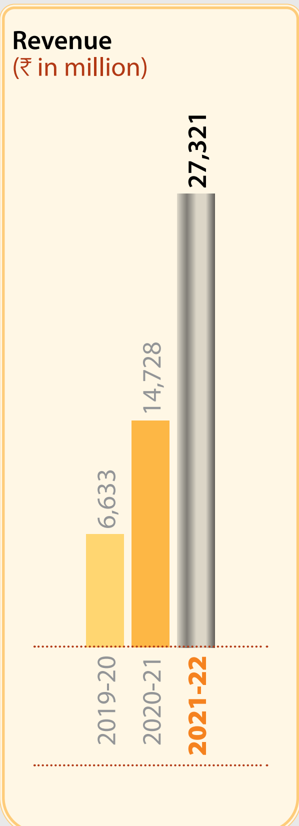
VISION

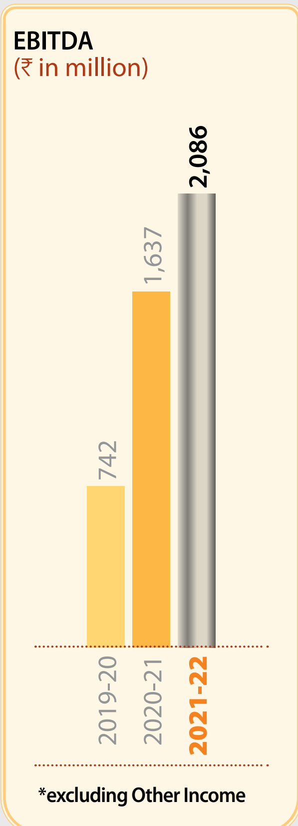
- To pioneer in developing technological advancement in the Indian tube industry
- To continuously innovate the production process and review the quality control measures to provide best of products
- To make mechanical engineering and information technology work closely to increase efficiency and effectiveness

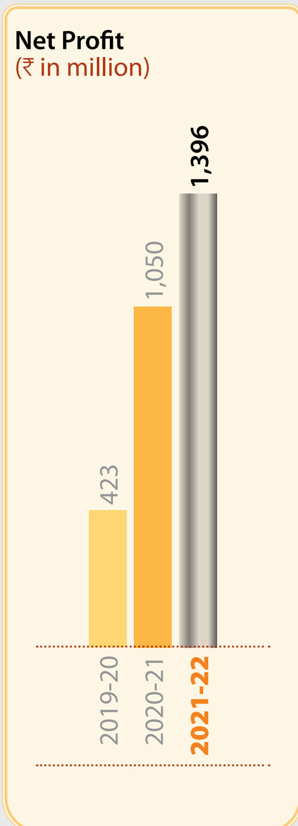
MISSION

- To be among India's most reliable tube making companies
- To create a brand that would be known for its trustworthiness
- To create an organisation with ethical and modern working culture
- To enhance business visibility across newer markets
- To create sustainable value for all stakeholders

KEY PERFORMANCE **INDICATORS**





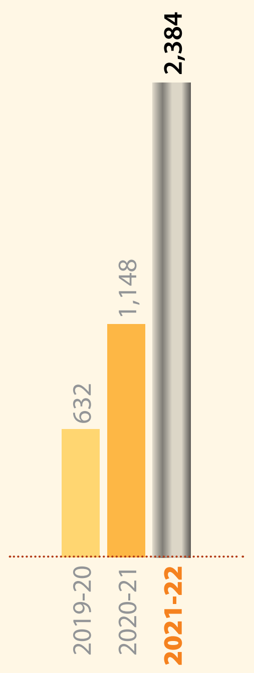


55.82%
Promoter's holding
as on 31st March, 2022

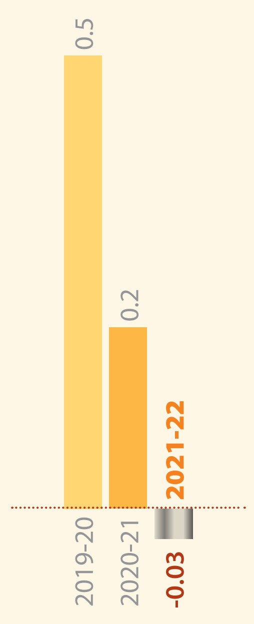
3.5 lakh TPA
Installed capacity
as on 31st March, 2022

₹52,017mn
Market Capitalisation
as on 31st March, 2022

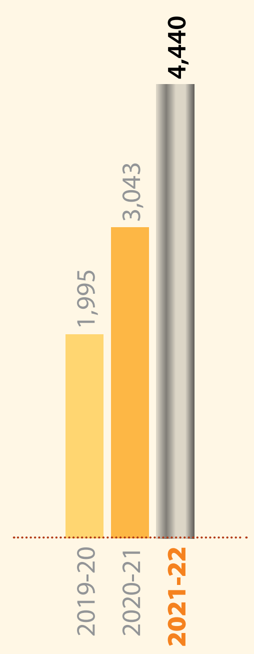
Net cash flow from operations
(₹ in million)



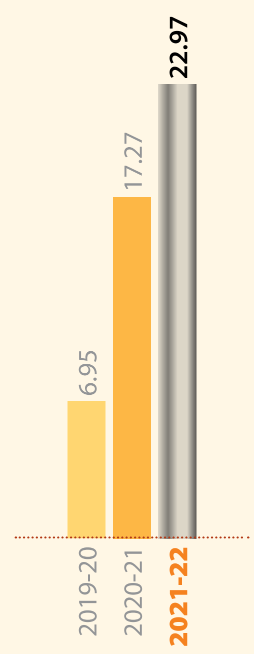
Debt-equity ratio
(x)



Networth
(₹ in million)



Earnings per share
(₹)



We are excited to realise the emerging opportunities going forward in all our business segments and are confident of moving ahead with our

WELL DEFINED STRATEGIC BLUEPRINT

RAHUL GUPTA, MANAGING DIRECTOR

DEAR SHAREHOLDERS,

IT IS GOOD TO INK THIS MESSAGE AS **WE CONTINUE TO BETTER OUR PREVIOUS BEST** DESPITE THE CHALLENGES AND UNCERTAINTIES THAT PREVAILED DURING THE YEAR.

FY22 tested our resilience. The second wave was quite a challenge as its pushed us to the edge to take a call between people safety and business growth. We chose the former. We focused on our people safety and well-being through well thought out and all-encompassing policies. We organised, at the Group level, multiple vaccination drives to shore confidence levels among individuals. Having said that, I must congratulate India's research scientists for having developed potent vaccines in such a short time which has not just saved Indian but has been useful in saving lives of millions across the world.

This helped in overcoming the second wave in a shorter time than envisaged. With India returning to normalcy, business surged. Business activities continued to gain momentum. We were flushed with orders. Our plants and offices were abuzz with activity. The result is visible in our performance... our revenue increased in every quarter of our FY22.

Overall, our revenue from operations upped by 86% from ₹14,728 million in FY21 to ₹27,321 million in FY22, EBITDA increased by 27% from ₹1,637 million in FY21 to ₹2,086 million in FY22 while Net Profit increased from ₹1,050 million to ₹1,396 million over the same period - a growth of 33%.

The journey, going forward, is only going to get more exciting. My optimism is platformed on multiple trends that suggest that demand for our products will continue to scale northward.

The real estate sector is on the roll. India's real estate bounced back rather sharply since the Covid-induced lockdowns in 2020, posting healthy

growth over the last six quarters. While the immediate near term could face some challenges on account of inflation and increased interest rates, the medium term prospects remain intact.

Opinion makers are of the view that India's real estate sector is expected to reach US$1 trillion in market size by 2030, up from US$ 200 billion in 2021. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Further, with environment consciousness gaining steam, our products are gaining the spotlight across applications.

Moreover, we will be merging with our parent APL Apollo in the current year. This is a huge positive for the Company. Our products will be channelised through its entrenched network to reach the farthest corner of India which otherwise would have taken considerable time had we gone at it alone. We will leverage the strong brand recall which has become synonymous with quality and innovation in the building products. We will gain from the brand campaigns and ad-spends initiated by APL Apollo.

As a result, our landscape will emerge significantly brighter. I expect volumes to increase considerably as awareness of our environment-friendly products widens among the Indian consumers. In keeping with this estimate, we plan to increase our capacities and capabilities over the coming years.

We are excited to realise the emerging opportunities going forward in all our business segments and are confident of moving ahead with our well defined strategic blueprint.

Our aim is to achieve sustainable profitable growth in medium term and structurally we are poised towards moving on to the next tier of performance in our growth journey and margins.

I, on behalf of the Board, thank all our employees for their unwavering commitment in uplifting the Company.

I express my gratitude to all stakeholders and Government authorities for extending their complete support in our journey this far.

I seek your continued support going forward.

Warm regards,

RAHUL GUPTA
MANAGING DIRECTOR

MANAGEMENT DISCUSSION & ANALYSIS

Proposed merger of the Company

As 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 (the holding company) and the Company with APL Apollo Tubes Limited and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013.

Requisite approvals/NOCs from the stock exchange, share holders, secured creditors and the unsecured creditors of the Company have been received for the scheme. Similar approvals have been received by the other transferor company and the transferee Company also. The Scheme is now subject to sanction of the Hon'ble NCLT, Delhi for which a final date has been fixed by the NCLT. On the scheme being effective, the Company will get dissolved and all its assets and liabilities will get transferred to the transferee company.

The references in this report to the Company may be construed as references to the businesses and the undertaking that will be continued to be carried out in the transferee company post-merger.

An economic overview

India rebounded with vigor - from 6.6% GDP contraction in FY21 to 8.7% GDP growth in FY22 - progress that has demonstrated India's inherent resilience and determined efforts to get back to winning ways despite the second wave that threatened to derail progress once again.

The Government's push for inoculation and the mass vaccination drives across India helped allay fears which provided the much-needed impetus to private consumption. Also, increased capital expenditure from government on infrastructure and defense boosted the fortunes for India Inc. As a result, 19 of 22 High Frequency economic Indicators were higher than the pre-Covid levels.

Industrial India reported a healthy double-digit growth over the previous year, the services sectors grew by more than 8% while the agriculture segment improved from 3.6% in FY21 to 3.9% in FY22.

New investment and capex announcements by the private sector saw a 145% year-on-year rise in FY22 and 150% increase over FY20. New project announcements in the manufacturing sector have improved significantly to ₹6.2 trillion in FY22, a rise of 93.75%, as against ₹3.2 trillion in FY20.

Despite pandemic-related uncertainties, India remains a favourable destination for foreign investment. In 2021, around 44% of 1,200 global business heads in developed economies were planning to make first-time or additional investments in India. Gross Foreign Direct Investment (FDI) inflows increased, from $82 billion in FY 2021 to $83.6 billion in FY 2022.

The close of FY22 was not as expected owing to heightened geo-political tensions which are expected to cast a shadow on India's economic prospects for FY23. In keeping with these realities, the Reserve Bank of India has suggested that India's GDP would grow by about 7.2% in FY23 (a slight downward revision from its earlier estimate of 7.8%.

The sector and its prospects

Apollo TriCoat is into home décor products. The Company's business space is about crafting steel for niche applications primarily used in the residential segment of the real estate sector.

A brief on the domestic steel sector: In FY22, India's steel demand improved on the back of continued economic recovery. Robust demand across the year from the infrastructure and automobile sectors elevated steel consumption to the pre-covid level. India produced about 118 Mn T crude steel in FY22, up from 104 MT in FY21 which is expected to increase to 130 MT in FY23. On the consumption side, it is expected that India will consume about 7-8% more steel than it did in FY22; the export volume on the other hand should increase to around 20% of the production in FY23 from around 12% in FY22 - owing to India capitalizing on the vacuum created in the global steel trade by China.

To appreciate the prospects of the Company, it would be relevant to get an insight into the prospects of the real estate sectors

Residential real estate: Akin to other sectors, the residential real estate market registered a handsome recovery in 2021 as home sales and new launches improved significantly. This trend in the residential markets is expected to continue in 2022 with sales likely to reach pre-Covid levels. With income levels rising faster than rise in real estate prices, housing affordability is expected to remain steady over the near-term which is expected to keep the real estate market buoyant.

(Source: https://economictimes.indiatimes.com/industry/services/property-/-cstruction/hdfc-chairman-deepak-parekh-sees-robust-housing-demand-in-india-to-continue/articleshow/89642390.cms)

Home renovation: Indians are renovating their homes faster than before. Covid-induced lockdowns put more money in the hands of salaried Indians. Moreover, the work-from-home trend has made the home (more particularly the drawing room/study room) into a defacto office. This has necessitated the need for renovation. This is driving the demand for building products.

High-rise buildings: High-rise buildings are the order of the day in metros and urban cities. This is owing to the continuous migration to these cities and decreasing space. In 2021 of the approximate 1,178 new launches, high rises were 614 projects. The trend in leveraging vertical creation is only expected to accelerate over the medium term.

(Source: https://www.99acres.com/articles/how-covid-19-has-influenced-the-supply-of-high-rise-projects.html)

Affordable housing: 'Housing for all' was government's focus for a very long time. In FY23 budget, Government of India allocated ₹48,000 crore in the India's flagship affordable housing scheme - the Pradhan Mantri Awas Yojana (PMAY) across the urban and rural categories. The loan books for affordable housing finance companies are expected to grow by 17-20% in FY23, owing to the factors like under-penetrated market, favourable demographic, government thrust on affordable housing, favourable tax regime that support growth outlook. According to the government sources, in 2022-23 alone, 8 million houses will be completed for eligible beneficiaries of PMAY.

Commercial segment: India's journey towards a sizable USD 5 trillion economy opens a plethora of interesting growth opportunities for the commercial office market. According to real estate consultant Cushman & Wakefield, the demand for office space may rise 14% this year to 60 million square feet across eight cities, mainly driven by strong rebound in Indian economy and aggressive hiring plans in IT/ITeS sector as well as start-ups.

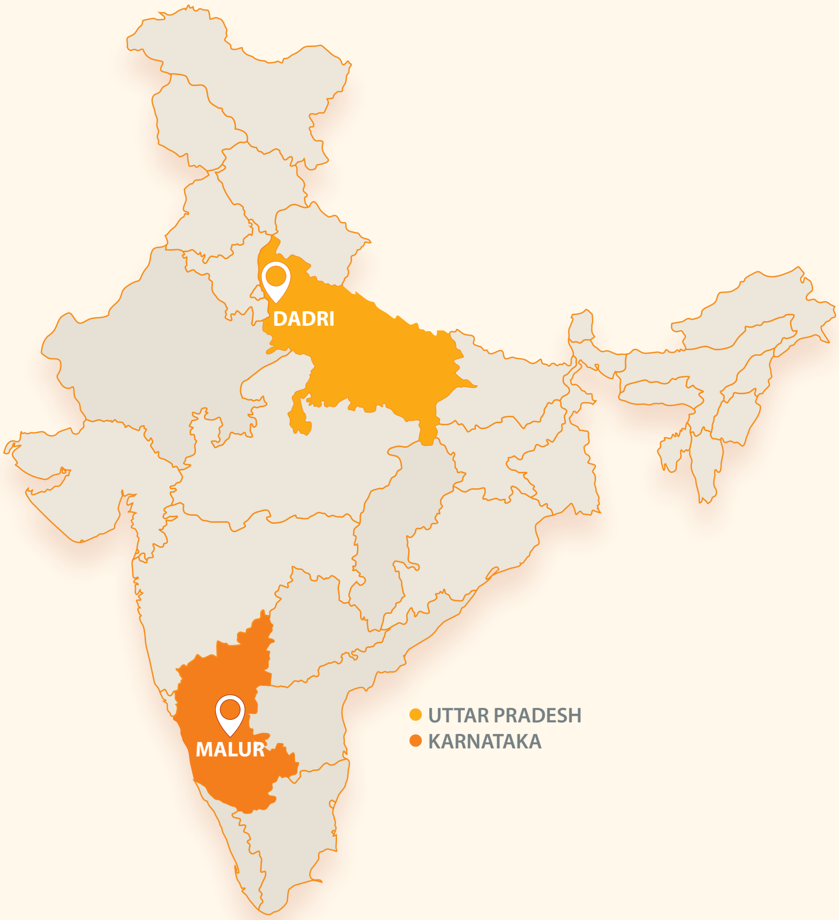
India's real estate sector in India is expected to climb from US$ 200 billion in 2021 to US$ 1 trillion in market size by 2030 and contribute 13% to the country's GDP by 2025. (Source: IBEF)

About the Company

Apollo TriCoat Tubes Limited is one of India's leading branded steel tube manufacturers with manufacturing facilities at Malur; Karnataka and Dadri; Uttar Pradesh that house

cutting-edge technology and sophisticated equipment

which churn out a basket of seven products, all of which are pioneering in application for the Indian markets.



Operational performance

The Company reported a strong performance at the shopfloor and in the market place with the growing awareness of its environment-friendly products. Order flow increased from the second quarter of FY22 as India returned to normalcy after the second wave of the pandemic.

At the shopfloor, the team continued to streamline its processes to improve productivity and product quality. It also implemented small automation projects to reduce operator fatigue and improve output. These factors helped in growing production levels to an all time high.

Financial performance

In line with the economic resurgence and sectoral uptick, demand for the Company's products upped - it enabled the Company to report healthy business growth.

In FY22, the topline stood at ₹27,321mn against ₹14,728mn in FY21, EBITDA increased from ₹1,637mn in FY21 to ₹2,086mn in FY22 and Net Profit grew by 33% from ₹1,050mn in FY21 to ₹1,396mn in FY22.

Shareholders' Fund stood at ₹4,440mn as on March 31, 2022, up from ₹3,043mn as on March 31, 2021, owing to increased ploughing of business surplus. The total borrowings were at ₹490mn as on March 31, 2022; The Company reported a Net Cash amounting to ₹148mn for FY22.

Internal Control & its adequacy

The internal control mechanism at Apollo TriCoat is structured to ensure complete compliance of internal financial controls with various policies, practices and statutes in accordance with its growth and complexity of operations.

The system assesses all aspects of risks associated with the Company's activities and its corporate profile. It also covers scientific and development risks, partner interest risks, and commercial and financial risks.

Internal auditors of the Company carry out extensive audits throughout the year across all locations and functional areas and submit their reports to the Audit Committee.

A legal compliance programme, supported by a robust online system, covers the manufacturing units. It includes statutes such as industrial and labour laws, taxation laws, corporate and securities laws, and health, safety and environmental regulations.

Human resource & Industrial relations

People have been the corner stone of Apollo TriCoat's success. For they have been instrumental in designing, developing and delivering path-breaking products that have only widened the market space.

Despite the multiple waves of the pandemic, two of which transpired in FY22, the team stood up to the challenge and delivered its products as committed.

On its part, the Company took good care of its people needs - providing them with opportunities to enhance their capability and perform better.

Training & Upskilling: The Company continued to invest in people development. Aligned to its training calendar, the HR team organised multi-disciplinary training sessions and engaging workshops for enhancing its people skill sets.

Performance Management: The HR team put in place a robust Performance Management System through the process of MBO (management by objectives). The team identified key responsibility areas (KRA) and objectives of employees in the staff level (senior executives and above) aligned with the organisation's goals. The team periodically evaluates the performance of members against the articulated KRAs.

Employee Engagement: The HR team made special efforts to celebrate

Significant changes (i.e. change of 25% or more as compared to the immediately previous financial years) in Key Financial Ratios, along with explanation are as under:

	FY22	FY21	% change	Reason for change more than 25%
Stability Ratios				
Debt equity Ratio (x)	-0.03	0.2	N/A	The company has net cash on books, resulting in negative debt/equity
Interest Coverage Ratio (x)	38.7	15.4	152%	Zero debt
Liquidity Ratios				
Current Ratio (x)	1.08	1.47	-26%	Due to increase in trade payables
Debtor Turnover Ratio (days)	5	3	73%	Very slight increase in debtor days
Inventory Turnover Ratio (days)	11	16	-30%	Improved inventory management
Profitability Ratios				
Operating Profit Margin (%)	7.6	11.1	-31%	EBITDA/ton increased by 24% however, margins appears low due to high NSR
Net Profit Margin (%)	5.1	7.1	-28%	Net margin followed the EBITDA margin

special days for Apollo TriCoat family members. The team organises birthday celebrations for all Company employees. Other events like the International Women's Day and Independence Day are also celebrated at the Company premises.

Bonding: Festivals were observed across the Company's various facilities to foster employee connect. The HR team has curated a reward and recognition programme with the objective of motivating the employees.

Risk management

At Apollo TriCoat, the risk management framework is designed to make the business success, sustainable. The Company has adopted a comprehensive and integrated risk appraisal, mitigation and management process which is devised keeping in mind the Management's growth aspiration and risk appetite. The risk mitigation measures of the Company are placed periodically before the Board and its Committee for review.

Cautionary statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions.

We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

BOARD OF **DIRECTORS**

SHRI RAHUL GUPTA
Managing 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, 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.

SHRI ROMI SEHGAL
Whole Time Director

Shri Romi Sehgal has made excellent contribution to the Steel and Tubes Industry for more than three and a half decades, right from designing and manufacturing of Tube Mills to putting up Greenfield projects, successful commissioning of projects and ensuring uninterrupted optimum production from factories. He is a Science graduate and has worked at 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.

SHRI VINAY GUPTA
Non-Executive Director

With 21 years of industry experience, Shri Vinay Gupta has in-depth knowledge in manufacturing and trading of pipes, tubes, sheets and other steel products. He has been assigned with the responsibility of driving the Company's pre-galvanised and international market businesses.

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 at various critical management positions which have provided her with in-depth knowledge of the steel industry and its work flow. She is also the former Chairperson and Managing Director and Director Finance of National Fertilizers Ltd. Ms. Abrol is currently serving as Director at TCNS Clothing Co Limited, APL APOLLO Tubes Ltd, Apollo Pipes Ltd, Stecol International Pvt Ltd and other companies. She is also associated with a couple of NGOs. She is recipient of multiple awards over her illustrious career including twice 'Business Achiever' by ICAI, 'Outstanding Woman Manager in Public Sector Enterprises' by SCOPE.

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, Indian economy, corporate affairs and risk and ratings is 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 APL Apollo Tubes Ltd. He is also former director of Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited, CARE Ratings Limited and NABARD.

SHRI BHARAT BHUSHAN SAHNY
Independent Director

Shri Bharat Bhushan Sahny is the Non – Executive Independent Director of the Company. For 27 years, he was a Director on the Board of Delhi Stock Exchange Limited. He has also held the position of Vice President and President in "DSE" and was instrumental in getting online Trading started in "Delhi Stock Exchange". In one of his past roles, he has been the Chairman of "Investors Awareness Committee" for many years. He has also conducted various investor awareness programmes in North India, which in turn, generated an investment culture.

STATUTORY & FINANCIAL STATEMENTS

COMPANY INFORMATION

BOARD OF DIRECTORS

Shri Rahul Gupta
Managing Director
DIN: 07151792

Shri Romi Sehgal
Whole Time Director
DIN: 03320454

Ms. Neeru Abrol
Non-Executive Independent Director DIN: 01279485

Shri Anil Kumar Bansal
Non-Executive Independent Director
DIN:06752578

Shri Vinay Gupta
Non-Executive Director
DIN: 00005149

Shri Bharat Bhushn Sahny
Non-Executive Independent Director
DIN:00014334

CHIEF FINANCIAL OFFICER

Shri Sunil Mittal

COMPANY SECRETARY

Shri Shivam Maheshwari

AUDITORS

Statutory Auditor
M/s Walker Chandiok & Co LLP
Chartered Accountants
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram-122002

Cost Auditor
M/s HMVN & Associates
Cost Accountants
1011, Pearls Best Heights-II,
C-9, Netaji Subhash Place,
Pitampura, Delhi-110034

Secretarial Auditor
M/s Kuldeep Dhaiya & Associates
Company Secretaries
Village-Badhkhalsa, P.O
Rai, Sonepat, Haryana-131029

Internal Auditor
Ernst & Young LLP, India
8th Floor, DLF Cyber Greens,
Block D & E, DLF Cyber City,
Sector 24, Gurugram, Haryana-122002

BANKERS

Indusind Bank Limited
HDFC Bank Limited
Citibank N.A.

REGISTERED OFFICE

37, Hargobind Enclave, Vikas Marg,
Delhi-110092
Tel. No. +91-110-22373437
Website: ww.apollotricoat.com
CIN:L74900DL1983PLC014972

CORPORATE OFFICE

36, Kaushambi, Near Anand Vihar
Terminal, Behind Wave Cinema,
Ghaziabad-201010
Tel No. +91-120-4041400

REGISTRAR & SHARES TRANSFER AGENT

Bigshare Services Private Limited
302, Kushal Bazar, 32-33,, Nehru Place
New Delhi-110019
Tel. No. +91-11 42425004
Fax No. +91-11 47565852
Email: bssdelhi@bigshareonline.com

WORKS

Unit-I
Plot 53, Part-I, 4th Phase Industrial
Area, Kurundahalli Village, Kasaba,
Hobli, Malur, Taluk, Kolar, Karnataka,
563130

Unit-II
Khasra No. 527-530 & 569, Village
Bisnoli, Dujana Road, Tehsil, Dadri,
Gautam Budh Nagar,
Uttar Pradesh-203207

BOARD'S REPORT

To
The Members of,
Apollo TriCoat Tubes Limited

The Board of Directors hereby presents the report of the business and operations of your Company along with audited financial statements for the financial year ended March 31, 2022.

1. Financial Performance

The summarized financial results of your Company are given in the table below:

(₹ in crores)

Particulars	F.Y. 2021-22	F.Y. 2020-21
Income from Operations	2732.11	1472.81
Other income	2.40	1.80
Total revenue	2734.51	1474.61
Earning before Depreciation, Interest., Tax (EBIDTA)	211.05	165.48
Depreciation	19.08	16.53
Profit Before Interest & Tax	191.97	148.95
Interest	4.96	9.70
Profit before Tax	187.01	139.25
Taxation	47.36	34.24
Profit for the year	**139.65**	**105.01**

The Company's revenue improved by 85.44% to 2734.51 crores; EBITDA increased by 27.54% to ₹211.05 Crores; Net profit increased by 32.99% to ₹139.65 Crores.

2. Dividend

In order to augment resources, the Board of Directors of the Company has not recommended any Dividend for the financial year 2021-22. Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has formulated the Dividend Distribution policy and the same is available on our website at : http://apollotricoat.com/investors/policies/

3. Transfer to Reserves:

The Board of Directors of your Company has decided not to transfer any amount to the reserves for the year under review.

4. Operational performance

The Company continued to scale new heights.

The second wave of the pandemic struck India at the start of FY22. It tested India severely on all counts. During these trying times, your Company put people before performance. Business operations were significantly reduced in keeping with the government's safety protocols which included a restricted workforce and maintaining social distancing norms. The Company organised multiple vaccination drives to cover all its employees. This allayed fear among the team and provided motivation to restore normalcy in business activities.

With the return to normalcy, demand continued to swell keeping the organisation abuzz with activity. As a result, sales volumes scaled northward. The Company continued to streamline its plant operations through small yet meaningful improvement which helped in improving man-machine productivity and shopfloor efficiency.

Hence, after a tepid performance in the first quarter of FY22, the company's performance picked up in each quarter thereafter to post the best financial numbers ever in the history of the Company this far.

5. Management's Discussion and Analysis Report

The detailed report on the Management's Discussion and Analysis for the year under review is presented in a separate section forming part of the Annual Report.

6. Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from Public was outstanding as on date of the Balance Sheet.

7. Share Capital

As on March 31, 2022 the authorized capital of the Company stood increased from ₹6.50 crore to ₹15 crore divided into 7,50,00,000 equity shares of ₹2 each, pursuant to the approval granted by the members on September 2, 2021.

During the period under review, the Company (on September 20, 2021) allotted 3,04,00,000 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 allotment of Equity shares, the paid up capital of the Company stands increased from ₹6.08 Cr to ₹12.16 Cr comprising of 6,08,00,000 equity shares of ₹2 each.

8. Credit Rating

The Company has received credit ratings from credit rating agencies - ICRA Limited & CRISIL Ratings Limited as under:

1. ICRA assigned the long term credit rating [ICRA]AA (Stable) and Short Term [ICRA]A1+.
2. CRISIL assigned the long term credit rating AA; (Stable) and short term rating A1+.

9. Proposed merger of the Company with APL Apollo Tubes Limited

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 the Company with APL Apollo Tubes Limited 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 have given their No Objection to the Scheme.

Further, during the year under review, the shareholders, the secured creditors and the unsecured creditors of Company, at their separate meetings held on February 7, 2022, had approved the said scheme of amalgamation. Similar approvals have been received by Shri Lakhsmi Metal Udyog Limited and APL Apollo Tubes Limited also. The Scheme is now subject to sanction of the Hon'ble NCLT, Delhi. NCLT has fixed May 10, 2022 as the final date of hearing for considering the sanctioning of the Scheme. On the scheme being effective, the Company will get dissolved and all its assets and liabilities will get transferred to the transferee company. The Scheme related details are available on the website of the Company at http://apollotricoat.com/investors/amalgamation/

10. 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 www.apollotricoat.com.

11. Directors and Key Managerial Personnel

Shri Romi Sehgal, Director retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment will form part of the AGM Notice.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have given the declarations that each of them meets the criteria of Independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances which may affect their status as independent director during the year.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transaction with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

During the year under review, Shri Nand Lal Bansal had resigned from the post of Chief Financial Officer of the company and in his place Shri Sunil Mittal was appointed as the Chief Financial Officer of the company w.e.f. 6^{th} August, 2021. Further, Ms. Surbhi Arora resigned as the Company Secretary and Compliance Officer of the Company w.e.f. 24^{th} January, 2022 and Shri Shivam Maheshwari was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 25^{th} January, 2022.

12. Number of meetings of the Board

The Board of directors met 4 (Four) times during the year under review. The details of the meetings of the Board are provided in the Corporate Governance Report, which forms part of this report.

13. Performance evaluation

The Board of Directors has made formal annual evaluation of its own performance and as well as 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 evaluation was made based on the criteria as prescribed by the Nomination and Remuneration Committee.

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 the performance of its committees and the Directors.

14. Policy on directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on www.apollotricoat.com.

15. Internal Financial Controls

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.

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and completeness of the accounting standards and the timely preparation of reliable financial disclosures and financial statements of the Company. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. The Audit Committee engages in discussions with the internal auditors periodically and the observations and suggestions of the auditors are suitably taken care of.

16. Audit committee

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report.

17. Auditors & Auditor's Report

A. Statutory Auditors

Pursuant to the provisions of section 139 of the companies act, 2013 read with rules made thereunder, as amended from time to time, M/s Walker Chandiok and Co. LLP, Chartered Accountants, Delhi (FRN 001076N/N500013) were appointed as statutory Auditors of the Company at the 38th 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 43rd Annual General Meeting to be held in the year 2025.

The report of the Statutory Auditors on the standalone financial statements for the FY 2021-22 does 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 Audit

The Cost Audit Report of the Company for the Financial Year ended March 31, 2022 issued by M/s HMVN & Associates, Cost Accountants (FRN: 000290) 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 Anjali Yadav & 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 'A'. The Secretarial Audit Report is self- explanatory and does not contain any qualification, reservation or adverse remark.

18. Loans, Guarantees and Investments

The particulars of loans, guarantees and Investments have been disclosed in the Notes to the Financial Statements.

19. Related Party Transactions

All the related party transactions (RPTs) entered during the financial year were on an arm's length basis and in the ordinary course of business. In compliance with applicable provisions of the Act and Listing Regulations, for the RPTs which are foreseen and repetitive in nature, omnibus approval of the Audit Committee is obtained at the beginning of the financial year, as per the RPT policy of the Company. All the RPTs undertaken during the year are disclosed in the Note No. 38 to Financial Statements.

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.

20. Managerial Remuneration and particulars of employees

Disclosure of ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as Annexure '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 at info@apollotricoat.com . The said information is available for inspection at the Registered Office of the Company during working days of the Company upto the date of the ensuing AGM.

21. Vigil Mechanism

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Apollo Tricoat Code of Conduct (ATCOC), any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the ATCOC cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Vigilance Officers/Chairman of the Audit Committee of the Company for redressal.

The Vigil Mechanism / Whistle Blower Policy have also been uploaded on the website of the Company and may be accessed at the link: http://apollotricoat.com/investors/policies/

During the year under review, no employee was denied access to the Chairman of the Audit Committee. No complaints were received under Vigil Mechanism & Whistle Blower Policy during the financial year 2021-22.

22. Directors Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

I. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

II. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

III. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. they have prepared the annual accounts on a going concern basis;

V. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

VI. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

23. Corporate Social Responsibility

In compliance with the requirement of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee comprises of Shri Anil Kumar Bansal as Chairman and Shri. Rahul Gupta, Ms. Neeru Abrol as its other members. 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 ₹1.35 Crores for various CSR purposes in compliance to the provisions of Companies Act, 2013 relating to Corporate Social Responsibility.

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

The CSR Policy has been uploaded on the Company's website and may be accessed at the link: http://apollotricoat.com/investors/policies/

24. Conservation of energy, technology absorption, foreign exchange earnings and outgo

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

25. Disclosure as per Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at the work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

Internal Complaints Committee (ICC) is in place for all administrative units or offices of Apollo Tricoat to redress complaints received regarding sexual harassment.

Summary of sexual harassment issues raised, attended and dispensed during FY 2021-22:

No. of Cases pending at the beginning of the financial year	Nil
No. of complaints received	Nil
No. of complaints disposed of	NA
No. of cases pending for more than 90 days	NA

26. Committees of The Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. As on March 31, 2022, following statutory Committees constituted by the Board function according to their respective roles and defined scope:

I. Audit Committee

II. Nomination and Remuneration Committee

III. Corporate Social Responsibility Committee

IV. Stakeholders Relationship Committee

V. Risk Management Committee

VI. Finance Committee

Details of composition, terms of reference and number of meetings held for respective committees and other relevant details are given in the Report on Corporate Governance, which forms a part of this Report.

27. COMPLIANCE WITH SECRETARIAL STANDARDS

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).

28. 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:

a. Change in the nature of business of the Company.

b. Any remuneration or commission received by Managing Director of the Company, from any of its subsidiary.

c. Significant or material orders passed by the Regulators or courts or Tribunal which impacts the going concern status and Company's operations in future.

d. Transfer to Investors Education and Investors Fund.

e. Reporting of fraud by Auditors

f. 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

g. 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.

h. 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

29. 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.

e) Details regarding Risk Management

30. SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES

The Company had entered into Power Purchase Agreement entered with Radiance Ka Sunrise Two Private Limited (Radiance) for purchase of solar power. Pursuant to this agreement, the Company has acquired 26% stake in Radiance with effect from September 13, 2021 for meeting the regulatory requirements of Power Purchase Agreement. This investment has been accounted for in accordance with Indian Accounting Standard 28 "Investment in associates and joint ventures". The Company does not have any share of profit in Radiance and hence there is no impact on consolidated profit of the Company. A report on the performance and financial position of associates company in form AOC-1 is annexed hereto as **Annexure 'E'** and forms part of this report.

31. Acknowledgements

The Directors thank the Company's employees, customers, vendors and investors for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation. The Directors appreciate and value the contribution made by every member of the Apollo Tricoat family.

By the order of the Board

Sd/-
Rahul Gupta
Managing Director

Date: May 6, 2022
Place: Ghaziabad

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,
Apollo Tricoat Tubes Limited
37, Hargobind Enclave, Vikas Marg, East Delhi
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 Tricoat Tubes Limited (CIN: L74900DL1983PLC014972) (hereinafter called "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 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 ('the Act') and the rules made thereunder (as amended from time to time)

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (as amended from time to time)

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (as amended from time to time)

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;-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 Requirement) Regulations, 2015;(as amended

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

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

  (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;(as amended)

  (e) The Securities and Exchange Board of India (Employee Stock Option Scheme, Employee Stock Purchase Scheme) Guidelines, 1999 and 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) 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) 3Securities 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) The 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 (Delisting of Equity Shares) Regulations, 2009 (as amended) (Not applicable to the Company during the audit period)

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

(m) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; (as amended); (Not applicable to the Company during the audit period)

(vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws including but not limited to:-

(a) Factories Act, 1948

(b) Environment (Protection) Act, 1986

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

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

(e) Air (Prevention & Control Pollution) Act, 198l

(f) Employees Provident Fund and Miscellaneous Provisions Act, 1952

(g) Payment of Wages Act, 1936

(h) Payment of Gratuity Act, 1972

(i) Contract Labour (Regulation & Abolition) Act, 1970

(j) Industrial Disputes Act, 1947

(k) Minimum Wages Act, 1948

(l) Payment of Bonus Act, 1965

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

(n) Trade Union Act, 1926

(o) Workmen Compensation Act, 1923

(p) Industries (Development & Regulation) Act, 195l

(q) Employees State Insurance Act, 1948

and all other Labour Laws, Rules and Regulations applicable to the company.

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 audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

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.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, there are no changes took place in the composition of the Board of Directors during the financial year.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, 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. Majority decisions were carried through while the dissenting member's views, if any, were captured and recorded as part of the minutes.

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 corresponding with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

We further report that

(i) Mr. Nand Lal Bansal had resigned from the post of Chief financial officer of the company and in his place Mr. Sunil Mittal was appointed as the Chief financial officer of the company w.e.f. 6th August, 2021;

(ii) The company has increased its authorised share capital from existing ₹6,50,00,000 (Rupees Six Crore and Fifty Lakhs Only) divided into 3,25,00,000 (Three Crore and Twenty Five Lakhs) equity shares of ₹2/- each to ₹15,00,00,000 (Rupees Fifteen Crore Only) divided into 7,50,00,000 (Seven Crore and Fifty Lakh) equity shares of ₹2/- each by creation of additional 4,25,00,000 (Four Crores and Twenty Five Lacs) equity shares of ₹2/- each and consequently, altered the existing clause V of the Memorandum of Association of the Company by passing the ordinary Resolution at the 39th Annual General Meeting "AGM" of the company held on 2nd September, 2021;

(iii) The Company has obtained the approval of members in its AGM held on 2nd September, 2021 for capitalization of a sum not exceeding ₹6,08,00,000/- (Rupees Six Crores and Eight Lakhs only) from and out of reserves and/or the securities premium account and/or the capital redemption reserve account for the purpose of issue of bonus equity shares of ₹2/- each, credited as fully paid to the eligible members of the Company holding equity shares of ₹2/- each of the Company as on Record date in the proportion of 1 (One) new fully paid-up equity share of ₹2/- each for every 1 (One) existing fully paid-up equity shares of ₹2/-;

(iv) The designated Board Committee made an allotment of 30400000 equity shares of ₹2/- each as fully paid up bonus equity shares, in the ratio of one (1) equity share of ₹2/- each for every one (1) existing equity share of ₹2/- in a meeting held on 20th September, 2021;

(v) The Company at its meeting held on 27th February, 2021, had considered and approved a draft scheme of amalgamation of the Company and Shri Lakshmi Metal Udyog Limited ("Shri Lakshmi") 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 had 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 and the results of the said meeting was reported to the Sock exchange on 9th February, 2022;Subsequent to getting approval of the shareholders and the creditors, the Companies had filed final joint petition with the Hon'ble NCLT, Delhi bench seeking sanction of merger, for which final date of hearing has been fixed by the NCLT on May 10, 2022.

(vi) Ms. Surbhi Arora, had resigned from the post of Company Secretary of the company w.e.f. 24th January, 2022 and in her place Mr. Shivam Maheshwari was appointed as the Company Secretary of the company w.e.f. 25th January, 2022;

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 **Anjali Yadav& Associates**
Company Secretaries

Sd/-
Anjali Yadav
Proprietor
UDIN: F006628D000277426
FCS No.: 6628
C P No.:7257
PR: 629/2019

Place: New Delhi
Date: 6th May, 2022

ANNEXURE 1

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

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

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

For **Anjali Yadav& Associates**
Company Secretaries

Sd/-
Anjali Yadav
Proprietor
UDIN: F006628D000277426
FCS No.: 6628
C P No.:7257
PR: 629/2019

Place: New Delhi
Date: 6th May, 2022

A. DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2017

i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2021-22: The ratio of the remuneration of Shri Rahul Gupta, Managing Director and Shri Romi Sehgal, Wholetime Director to the median remuneration of the employees of the Company is 34:1 and 39:1 respectively. Sitting Fees paid to the Directors has not been considered as remuneration.

ii. The percentage increase in remuneration of each director, chief financial officer, company secretary during the financial year 2021-22: Shri Rahul Gupta, Managing Director-NIL, Shri Romi Sehgal, Whole Time Director is 7%, Shri Nand Lal Bansal, Chief Financial Officer is Nil, Ms. Surbhi Arora, Company Secretary is 8%.

iii. The number of permanent employees on the rolls of the company as on March 31, 2022 is 265.

iv. The average increase in the managerial remuneration for the FY 2021-22 is 7.50% and the average increase in the salary of employees other than managerial personnel for the FY 2021-22 is 11%. Managerial Personnel includes Managing Director, Executive Director, Chief Financial Officer and Company Secretary.

v. 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.

By **Apollo Tricoat Tubes Limited**

Sd/-
Rahul Gupta
Managing Director

Date: May 6, 2022
Place: Ghaziabad

ANNEXURE C

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

1. Brief outline on CSR Policy of the Company

   The Board of Directors' at its meeting held on 11th June, 2018 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. The CSR Policy was last reviewed by the Board on 3rd May, 2021.

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)	1	1
3	Shri Rahul Gupta	Member (Managing Director)	1	1
3	Ms. Neeru Abrol	Member (Independent Director)	1	1

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: www.apollotricoat.com

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: NIL

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, 2019-10 and 2018-19) calculated in accordance with Section 135 of the Companies Act, 2013 is ₹67.40 Crores

7. (a) Two percent of average net profit of the company as per section 135(5): ₹1.35 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): 1.35 Crores

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

Total Amount Spent for the Financial Year	Amount Unspent (in ₹ Crores)				
	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)		
(in ₹ Crores)	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
0.84	0.51	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.		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	
				State.	District.						Name	CSR Registration number
1.	'Museum of Solutions' (MuSo)*	(ii)	Yes	Mahrashtra	Mumbai	3 years	0.52	0.20	0.32	No	JSW Foundation, Mumbai	CSR00003978
2.	**Plaksha	(ii)	Yes	Punjab	Mohali		0.69	0.50	0.19	No	Reimaging Higher Education Foundation	CSR00002211
	Total						**1.21**	**0.70**	**0.51**			

*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 and 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 ₹1.65 crore.

(c) 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.		Amount spent for the project (in ₹Crores)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation –Through Implementing Agency	
				State.	District.			Name	CSR Registration number
1	Ekal on Wheel	(ii)	Yes	Delhi	Delhi	0.07	No	Ekal Gramothan Foundation - Public Trust (Sine 2014)	CSR00000757
2	For promotion education including special education and skill enhancement	(ii)	Yes	Mumbai	Maharashtra	0.20	No	JSW Foundation (since 1998) - Trust	CSR00003978
3	For making available safe drinking water	(i)	Yes	Karnataka	Kolar	0.07	Yes	RO Plant for Byalahalli Village, Malur (Direct)	NA
4	For promotion education including special education and skill enhancement	(i)	Yes	Punjab	Mohali	0.50	No	Reimagining Higher Education Foundation	CSR00002211
	Total					**0.84**			

(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): **₹1.35 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)	1.35
(ii)	Total amount spent for the Financial Year**	1.35
(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 ₹ 0.51 Crores 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): Pleae refer to item No. 1 of 7(b) above.

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

For and on behalf of Board of Directors

	Sd/-	Sd/-
	Rahul Gupta	**Anil Kumar Bansal**
Place: Ghaziabad	*Managing Director*	*Chairman CSR Committee*
Date: May 6, 2022	(DIN: 07151792)	(DIN: 06752578)

ANNEXURE D

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

I. CONSERVATION OF ENERGY

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

(a) During the year the Company has made investment of ₹2.90 Crores in Radiance Ka Sunrise Two Private Limited for purchase of 10 MW solar power at Malur Plant and the same was commissioned in February 2022.

(b) To monitor 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.

(c) The capital investment on energy conservation arrangements: The capital investment on energy conservation for purchase of 10 MW solar power from Radiance Ka Sunrise Two Private Limited at Malur Plant was ₹2.90 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 It can produce 80x80 mm to 200x200mm 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	NIL
Foreign exchange outgo	6.20

For and on behalf of Board of Directors

Sd/-
Rahul Gupta
Managing Director

Date: May 6, 2022
Place: Ghaziabad

ANNEXURE E

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

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

Part "A": Subsidiaries

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Subsidiary Companies: Not Applicable, since the Company does not have any subsidiary.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

(₹in crore)

S. No.	Name of Associate	Radiance KA Sunrise Two Private Limited
1	Financial Year/Period ended on	March 31, 2022
2	Date on which the Associate or Joint venture was associated or acquired	September 13, 2021
3	Shares of Associate or Joint Venture held by the Company on the year end	
	(a) No. of Shares held	29,00,000
	(b) Amount of Investment in Associate/Joint Venture	₹2.90 Crores
	(c) Extent of Holding %	26%
4	Description of how there is significant influence	Based on Shareholding
5	Reason why Associate/ Joint Venture not consolidated	N.A.
6	Net worth attributable to shareholding as per latest unaudited Balance Sheet	₹2.90 Crores
7	Profit / (Loss) for the year	
	i. Considered in Consolidation	NIL
	ii. Not considered in Consolidation	NIL

Note:

1. Name of associates or joint venture which are yet to commence operations: NA
2. Names of associate or joint venture which have been liquidated or sold during the year: NA

For and on behalf of Board of Directors

Sd/-
Rahul Gupta
Managing Director
(DIN: 07151792)

Sd/-
Romi Sehgal
Whole Time Director
(DIN: 03320454)

Sd/-
Sunil Mittal
Chief Financial Officer

Sd/-
SHIVAM MAHESHWARI
Company Secretary
Membership No. : 38467

Place: Noida
Date: May 6, 2022

ANNEXURE F

REPORT ON CORPORATE GOVERNANCE

I. Philosophy of Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the Apollo Tricoat Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

II. Board of Directors

a. Composition of Board

i. As on March 31, 2022, the Company's board comprises of 6 (six) Directors. Out of the six Directors, 4 (four) are Non-Executive Directors in which 3 (three) are Independent Directors, 1 (one) Managing Director and 1 (one) Whole- time Director. The profiles of the Directors are available at www.apollotricoat.com. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

ii. None of the Directors on the Board holds directorships in more than 10 (ten) public companies. None of the Independent Directors serves as an independent director on more than 7 (seven) listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors is related to each other.

iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

b. Board Meetings

4 (Four) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The board meetings were held on: May 3, 2021; August 6, 2021, October 27, 2021 and January 24, 2022. The necessary quorum was present for all the meetings.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than 10 (ten) committees or Chairman of more than 5 (five) committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, Chairpersonship and membership of the Audit Committee and Stakeholder's Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name of the Directors	Category of Directorship	Number of Board meetings attended out of four held during FY 2021-22	Whether attended last AGM held on September 2, 2021	No. of Directorships/Committee Membership/Chairmanship in other Public Companies			Directorship in other listed entity (Category of Directorship)
				Other Directorship	Other Member#	Other Chairman#	
Mr. Rahul Gupta (DIN: 07151792)	MD	4	Yes	1	-	-	APL Apollo Tubes Limited (Category - NE)
Mr. Vinay Gupta (DIN: 00005149)	NE	3	Yes	5	1	-	APL Apollo Tubes Limited (Category - NE)
Mr. Bharat Bhushan Sahny (DIN: 00014334)	ID	2	Yes	1	2	1	Rama Steel Tubes Limited (Category - ID)
Mr. Anil Kumar Bansal (DIN: 06752578)	ID	4	Yes	2	2	2	- APL Apollo Tubes Limited (Category - ID)
Ms. Neeru Abrol (DIN: 01279485)	ID	4	Yes	5	5	2	Apollo Pipes Limited (Category – ID) - TCNS Clothing Co. Limited (Category – ID) - APL Apollo Tubes Limited (Category – ID)
Mr Romi Sehgal (DIN: 03320454)	WTD	4	Yes	4	-	-	APL Apollo Tubes Limited (Category – E)

NOTES:

EC= Executive Chairman, MD= Managing Director, NE= Non-Executive Director, ID= Independent Director, WTD=Whole-time Director and E= Executive Director.
#only covers Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee. Video/tele-conferencing facilities are also used to facilitate Directors travelling/residing abroad or at other locations to participate in the meetings.

i. During FY 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

ii. During FY 2021-22, one meeting of the Independent Directors were held i.e. on January 20, 2022. In the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman after taking into account the views of the Executive Directors and Non-Executive Directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

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

iii. The Board periodically reviews the compliance reports of all laws applicable to the Company.

iv. Details of equity shares of the Company held by the Directors of the Company as on March 31, 2022 are given below:

Name	Category	Number of Equity Shares
Mr Romi Sehgal	Whole Time Director	7938
Mr. Anil Kumar Bansal	Independent Director	1600

c. Appointment of Directors

The Board has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and the Listing Regulations. As per the provisions of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The template of the letter of appointment is available on our website at http://apollotricoat.com/investors/policies/.

d. Policy for Selection and Appointment of Directors:

The Board Governance, Nomination and Remuneration Committee has adopted a policy which, inter alia, deals with the manner of selection of Directors as described herein below.

Criteria of Selection of Independent Directors and Key Skills, Expertise, and Core Competencies of the Board.

The Board of the Company comprises of eminent personalities and leaders in their respective fields. These Directors are nominated based on well-defined selection criteria. The Board Governance, Nomination and Remuneration Committee consider, inter alia, key qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment as Independent Director. In case of appointment of Independent Directors, the Board Governance, Nomination and Remuneration Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively.

The Board Governance, Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank.

In the opinion of the Board and the Board Governance, Nomination and Remuneration Committee, the following is a list of core skills/expertise/competencies required in the context of the Company's business and which are available with the Board, are as follows:

Skill/expertise/ competence	Names(s) of directors having the respective skill/expertise/competence
Finance	Shri Anil Kumar Bansal, Ms. Neeru Abrol and Shri Rahul Gupta
Law	Ms. Neeru Abrol
Sales & Marketing	Shri Rahul Gupta, Shri Romi Sehgal and Shri Vinay Gupta
Operations	Shri Rahul Gupta, Shri Romi Sehgal and Shri Vinay Gupta
Research	Shri Bharat Bhushan Sahny, Ms. Neeru Abrol and Shri Anil Kumar Bansal
Corporate Governance	Shri Anil Kumar Bansal and Ms. Neeru Abrol
Community Service	Shri Bharat Bhushan Sahny, Shri Vinay Gupta and Ms. Neeru Abrol

e. Familiarization Programme and Training for Independent Directors

The Company has an orientation process/familiarization programme for its Independent Directors that includes:

a) Briefing on their role, responsibilities, duties, and obligations as a member of the Board.

b) Nature of business and business model of the Company, Company's strategic and operating plans.

c) Matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

As a process when a new independent director is appointed, a familiarization programme as described above is conducted by the senior management team and whenever a new member is appointed to a Board Committee, information relevant to the functioning of the Committee and the role and responsibility of Committee members is informed.

Each of our Independent Directors has attended such orientation process/familiarization programme when they were inducted into the Board and these programs. The details of the familiarization programme are also available on the website of the Company at www.apollotricoat.com.

f. Board Evaluation

Details of methodology adopted for Board evaluation have been provided as part of the Board's Report

iii) Committees of the Board

(i) There are 5 (five) Board Committees as on March 31, 2022, which have been constituted in compliance with the statutory requirements and also the needs of the Company, details of which as are follows:

1. Audit Committee

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the Financial Reports; the Company's systems of internal financial controls, accounting and legal compliance that Management and the Board have established; review Related Party Transactions in accordance with the Related Party Transaction Policy of the Company; and the Company's auditing, accounting and financial reporting process generally.

The Audit Committee reviews the reports of the Internal Auditors, meets Statutory Auditors, reviews the auditor's independence, performance and effectiveness of audit process, discusses their findings, suggestions and other related matters and reviews Accounting Policies followed by the Company. The Audit Committee reviews with the Management, the Quarterly and Annual Financial Statements and the Auditors's Report thereon,before their submission to the Board.

At the end of the financial year, the Constitution of Audit Committee is detailed below:

S. No.	Name of the Member	Category
1	Shri Anil Kumar Bansal (Chairperson)	Independent, Non-Executive
2	Ms. Neeru Abrol	Independent, Non-Executive
3	Shri Rahul Gupta	Non-Independent, Executive

- Five meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.
- Committee invites such of the executives (particularly the head of the finance function), representatives of the statutory auditors and internal auditors, as it considers appropriate, to be present at its meetings.
- The Company Secretary acts as the Secretary to the Audit Committee.
- The Compliance Officer is the Officer to ensure compliance and effective implementation of the Insider Trading Code.

- Half yearly Reports are sent to the members of the Committee on matters relating to the Insider Trading Code.
- The previous AGM of the Company was held on September 2, 2021 and was attended by Shri Anil Kumar Bansal, Chairman of the Audit Committee and also by Ms. Neeru Abrol, Chairperson of both Nomination and Remuneration Committee and Stakeholders Relationship Committee.
- All recommendation of the Audit Committee were accepted by the Board during the year under review.

2. Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process including succession planning for the senior management & the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment and Removal of Directors. The NRC and the Board periodically reviews the succession planning process of the Company and is satisfied that the Company has adequate process for orderly succession of Board Members and Members of the Senior Management

At the end of the financial year, the constitution of Nomination & Remuneration Committee is detailed below:

S. No.	Name of the Member	Category
1	Ms. Neeru Abrol (Chairperson)	Independent, Non-Executive
2	Mr. Bharat Bhushan Sahny	Independent, Non-Executive
3	Mr. Anil Kumar Bansal	Independent, Non-Executive

- 2 (Two) Nomination and Remuneration Committee meetings were held during the year under review.
- The Company did not issue any options under Employee Stock Option Scheme during the year under review
- All recommendations of the Nomination & Remuneration Committee were accepted by the Board during the year under review.

a. Remuneration Policy

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Managing Director and the Executive Directors. There are no variable components of the remuneration paid to directors, annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members and are effective April 1, each year. The Remuneration policy is available on http://apollotricoat.com/investors/policies/.

b. Criteria of Making Payments to Directors, Senior Management and Key Managerial Personnel

- **Non-Executive Director(s)**

  The Company pays sitting fees to its Non-Executive Directors for attending meetings of the Board and meetings of committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. The detail of remuneration paid to Non-Executive Directors are as follows: (₹ in Crores)

S. No.	Particulars	Shri Anil Kumar Bansal	Shri Bharat Bhushan Sahny	Ms. Neeru Abrol	Shri Vinay Gupta
1	Board/committee meetings	0.07	0.02	0.05	0.02
2	Commission	-	-	-	-
3	Others	-	-	-	-
	Total	**0.07**	**0.02**	**0.05**	**0.02**

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 Directors**

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

(₹ in Crores)

Particulars	Rahul Gupta Managing Director	Romi Sehgal Whole-time Director	Total
1 Gross Salary	1.20	1.33	2.53
a) Salary as per provisions contained in section	-	-	-
b) Value of perquisites u/s 17(2) Income-tax	-	-	-
c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2 Stock Option/Sweat Equity/Commission	-	-	-
3 Others, please specify	-	-	-
Total (A)	**1.20**	**1.33**	**2.53**

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 for Managing Director and Executive Directors. The notice period is of 3 months.

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.

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is functioning to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of dividend, etc

At the end of the financial year, the constitution of Stakeholders Relationship Committee members is as follows:

S. No.	Name of the Member	Category
1	Ms. Neeru Abrol (Chairperson)	Independent, Non-Executive
2	Shri Anil Kumar Bansal	Independent, Non-Executive
3	Shri Romi Sehgal	Non-Independent, Executive

- 1 (One) meeting of the Stakeholders' Relationship Committee was held during the year under review.
- The Company has always valued its customer relationships. This philosophy has been extended to investor relationship as the Company focuses on servicing the needs of various stakeholders viz. investors, analysts, brokers and the general public.
- Details of Investor complaints and Compliance Officer as follows.

a. Details of investor complaints received and redressed during FY 2021- 22 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

b. Name, designation and address of the Compliance officer:

Mr. Shivam Maheshwari
Company Secretary & Compliance Officer
Apollo Tricoat Tubes Limited
36, Kaushambi, Near Anand Vihar Terminal, Ghaziabad-201010
Telephone: +91-120-4041400 Email: info@apollotricoat.com

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner, whereby organisations serve the interests of the society, by taking responsibility for the impact of their activities. The Board of Directors of the Company has constituted Corporate Social Responsibility Committee and has also approved Corporate Social Responsibility Policy of the Company. The Policy is available on the website of the Company http://apollotricoat.com/investors/policies/.

Constitution of Corporate Social Responsibility Committee, as below:

S. No.	Name of the Member	Category
1	Shri Anil Kumar Bansal (Chairperson)	Independent, Non-Executive
2	Shri Rahul Gupta	Non-Independent, Executive
3	Ms. Neeru Abrol	Independent, Non-Executive

- 1 (One) meeting of the CSR Committee was held during the year under review.

The term of references of the committee are available on the website www.apollotricoat.com.

5. Risk Management Committee:

The Company has constituted Risk Management Committee at the Board meeting held on May 3, 2021, 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.

Constitution of Risk Management Committee, as below:

S. No.	Name of the Member	Category
1	Shri Romi Sehgal (Chairman)	Non-Independent, Executive
2	Ms. Neeru Abrol	Independent, Non-Executive
3	Shri Anil Kumar Bansal	Independent, Non-Executive

- 2 (Two) meeting of the Risk Management Committee were held during the year under review.

Details of meetings of various Board sub-committees held during the year and Director's attendance therein:

Name of the Committees	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Re-sponsibility Committee	Risk Management Committee
No. of meetings held	5	2	1	1	2
Date of Meetings	May 3, 2021, August 6, 2021, October 27, 2021, January 24, 2022, February 7, 2022	August 6, 2021 January 20, 2022	January 20, 2022	May 3, 2021	October 27, 2021 January 20, 2022
Number of meetings attended					
Sh. Rahul Gupta	4	NA	NA	1	NA
Sh. Bharat Bhushan Sahny	NA	2	NA	NA	NA
Sh. Vinay Gupta	NA	NA	NA	NA	NA
Ms. Neeru Abrol	5	2	1	1	2
Sh. Anil Kumar Bansal	5	2	1	1	2
Sh. Romi Sehgal	NA	NA	1	NA	2

iv. Shareholder Information

(i) Annual General Meeting ("AGM")

Details of Annual General Meetings held during the last 3 (three) years are as follows:

Financial Year	AGM No.	Day, Date & Time	Venue	Special Resolution passed
2020-21	39	Thursday, September 2, 2021 1:00 P.M.	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	-
2019-20	38	Tuesday, September 29, 2020 2:00 P.M	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	-
2018-19	37	Saturday, September 28, 2019 10:00 A.M	JP Hotel & Resorts, 6B, IP Extension, Patparganj, Near Max Hospital, Delhi-110092	- Revision in remuneration payable to Shri Rahul Gupta, Managing Director of the Company. - Re-appointment of Shri Bharat Bhushan Sahny as an Independent Director of the Company.

(ii) Ordinary Resolution passed through Postal Ballot during Financial Year 2021-22

No Ordinary Resolution was passed through Postal Ballot during Financial Year 2021-22

(iii) Extra- Ordinary General Meeting ("EOGM"):

No extra-ordinary general meeting of the members was held during the financial year 2021-22.

(iv) As on the date of this report, no resolution is proposed to be passed through postal ballot.

(v) A certificate has been received from Anjali Yadav & Associates Practising Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority attached as **Annexure "F1"**.

(vi) Other Disclosures:

Particulars	Regulations	Details	Website link of details/policy
Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results.	http://apollotricoat.com/investors/policies/
Discretion-ary requirements	Schedule II Part E of the SEBI Listing Regulations	* The auditors' report on financial statements of the Company are unqualified. * Internal auditors of the Company, make quarterly presentations to the audit committee on their reports.	
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted a Policy on Determination of Materiality for Disclosures.	http://apollotricoat.com/investors/policies/
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Policy on Archival and Preservation of Documents.	http://apollotricoat.com/investors/policies/
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018	A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.	

Particulars	Regulations	Details	Website link of details/policy
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2022. The Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management attached as '**Annexure F2**'.	http://apollotricoat.com/wp-content/uploads/2020/10/Code-of-conduct-for-senior-management.pdf
Subsidiary Company	Regulation 24 of SEBI Listing Regulations	The Company has no Subsidiary as on March 31, 2022	
CEO & CFO Certification	Regulation 17(8) Read with Schedule II of Part B of SEBI Listing Regulations	Shri Rahul Gupta, Managing Director and Shri Sunil Mittal, Chief Financial Officer of the Company have provided certification on financial reporting and internal controls to the Board	NA
Compliance Certificate of the Practising Company Secretary	Regulation 34(3) Schedule V(E) of SEBI Listing Regulations	Certificate from Practising Company Secretaries M/s Anjali Yadav & Associates, confirming compliance with conditions of Corporate Governance forms part of the Annual Report and annexed as '**Annexure F3**'	NA
Code for Prevention of Insider Trading	SEBI (Prohibition of Insider Trading) Regulations, 2015	The Board of Directors of the Company has adopted (i) the code of practices & procedures for fair disclosure of unpublished price sensitive information; and (ii) the code to regulate, monitor and report trading by Insiders.	http://apollotricoat.com/wp-content/uploads/2019/09/Code-of-Conduct-insider-trading.pdf

*Disclosures related with Credit Rating, Whistle Blower Policy and Sexual Harrasement have been disclosed in the Board's Report forming part of Annual Report.

Means of Communication

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

Quarterly and annual financial results are normally published in Pioneer, Jansatta and Financial Express. etc. and are promptly furnished to the Stock Exchanges for display on their respective websites. The results are also displayed on the web-site of the Company "www.apollotricoat.com".

ii. Press release:

To provide information to investor, monthly production figures and other press release are sent to the stock exchanges as well as displayed on the Company's website i.e. www.apollotricoat.com before it has been released to the media.

iii. Presentations to analysts:

Five presentations were made to analysts/investors during the financial year 2021-22. The same are available on the Company's website. The presentations broadly covered operational and financial performance of the Company and industry outlook.

Fees Paid to Statutory Auditors

The details of total fees for all services paid by the Company to the statutory auditor network firm/network entity of which the statutory auditor is a part, are as follows:

(₹ in crores)

Type of Services	F.Y. 2021-22	F.Y. 2020-21
Audit fees	0.25	0.14
Others	0.01	0.00
Total	**0.26**	**0.14**

General Shareholders' Information

Date of Book Closure/Record Date	:	As mentioned in the Notice of ensuing AGM
Listing on Stock Exchanges	:	BSE Limited 25thFloor, P. J. Towers, Dalal Street, Mumbai 400 001 Phone:+91 22 2272 1233; Fax: +91 22 2272 1919 Website: www.bseindia.com
Stock Codes/Symbol	:	BSE: 538566 Listing fees as applicable has been paid.
International Securities Identification Number (ISIN) allotted to the Company's shares	:	INE919P01029
Corporate Identification Number	:	L74900DL1983PLC014972
Depositories	:	National Securities Depository Limited Central Depository Services (India) Limited
Registrar & Share Transfer Agent	:	M/s Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059 Maharashtra Tel. No. +91-22-6263 8200 E-mail: investor@bigshareonline.com
Place for acceptance of documents	:	Documents will be accepted at the above address between 11:00 AM and 4:00 PM (Monday to Friday)

For the convenience of the shareholders, documents will also be accepted at the following offices of Bigshare Services Private Limited:

- Bigshare Services Private Limited, 302, Kushal Bazar, 32-33, Nehru place New, Delhi-110019
  Tel No. 011-42425004
  Email Id: bssdelhi@bigshareonline.com

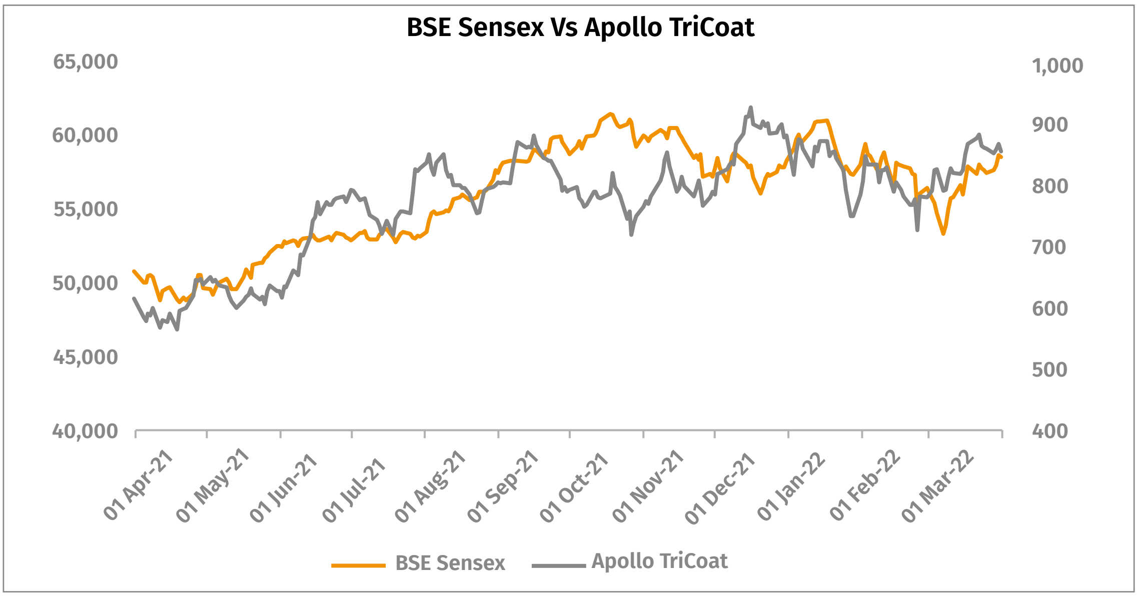
Share Transfer System	:	Share transfer and related operations for Apollo TriCoat Tubes Limited is conducted by M/s Bigshare Services Private Limited, which is registered with the SEBI as Category I Registrar. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment 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 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.
Dematerialization of & liquidity Shares (Equity)	:	The Company shares are compulsorily traded in dematerialized form on BSE. 6,07,94,178 Equity shares of the Company representing 99.99 percent of the Company's equity share capital are dematerialized as on March 31, 2022.
Outstanding ADRs/GDRs	:	The Company has not issued any GDRs/ADRs in the past and hence as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs.
Warrants and other convertible	:	NIL

Market Price Data:

High, Low (based on daily closing prices) and number of equity shares traded during every month in the year 2021-22 on BSE:

Month & Year	High	Low	Total number of equity shares traded
April, 2021	1283.80	1061.00	1812150
May, 2021	1297.00	1125.10	766304
June, 2021	1599.95	1161.00	1230235
July, 2021	1687.30	1361.00	1376345
August, 2021	1757.00	1470.05	922671
September, 2021	1790.00	765.80	1325134
October, 2021	839.60	681.40	2523520
November, 2021	861.00	661.00	1236415
December, 2021	950.55	775.00	1223177
January, 2022	895.00	729.00	1625442
February, 2022	864.00	698.10	805026
March, 2022	891.00	753.80	1529478



a. **Distinctive Shareholding as on March 31, 2022**

Number of Shares	Number of Shareholders	Percentage to shareholders	Number of Shares	Percentage to total capital
Up to 2500	40145	97.88	5721836	9.41
2501-5000	418	1.02	1506725	2.48
5001-10000	194	0.47	1440105	2.37
10001-15000	75	0.18	907317	1.49
15001-20000	47	0.11	848399	1.40
20001-25000	18	0.04	401118	0.66
25001-50000	57	0.14	1927707	3.17
50001 & above	59	0.14	48046793	79.02
TOTAL	**41013**	**100**	**60800000**	**100**

b. **Categories of equity Shareholding as on March 31, 2022:**

Category	Number of equity shares held	Percentage to holding
Promoters	3,39,40,000	55.82
Public Individual	1,84,41,699	30.33
Foreign Portfolio Investors	12,33,223	2.03
Bodies Corporate	46,97,528	7.73
Alternate Investment Fund	1,78,663	0.29
Mutual Fund	8,43,230	1.39
Non Resident Indian	12,49,254	2.05
Clearing Member/Trust/Firm	2,16,403	0.36
TOTAL	**6,08,00,000**	**100**

Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

The Company has not paid any dividend in the past hence, disclosure pursuant to above section not required to be given.

Plant locations:

The Company's manufacturing units situated at:

- Plot No. 53, Part-1, Malur, Sy Nos28 to 33, 4th Phase, Industrial Area, Kurandhalli Village, Malur, Taluk, Kolar, Karnataka-563130.
- Village Bisnoli, Khasra No. 527 to 530 and 569, Dujana Road, Tehsil, Dadri, GautamBudh Nagar, UP-203207. Address for correspondence

Registered Office:

37, Hargobind Enclave, Vikas Marg, Delhi-110092 Telephone: +91-11-22373437

Designated email address for investor services: info@apollotricoat.com Website: www.apollotricoat.com

Corporate Office:

36, Kaushambi, near Anand Vihar Terminal, behind Wave cinema, Ghaziabad-201010 Telephone: +91-120-4041400

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
APOLLO TRICOAT 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 Apollo Tricoat Tubes Limited having CIN:L74900DL1983PLC014972 and having registered office at 37, Hargobind Enclave, Vikas Marg, Delhi – 110092 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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 director	DIN (Director Identification Number)	Date of appointment in Company
1.	Vinay Gupta	00005149	23/10/2020
2.	Rahul Gupta	07151792	04/05/2018
3.	Bharat Bhushan Sahny	00014334	28/02/2014
4.	Anil Kumar Bansal	06752578	11/06/2018
5.	Neeru Abrol	01279485	20/01/2020
6.	Romi Sehgal	03320454	01/02/2020

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
PR: 629/2019
UDIN: F006628D000277459

Place: New Delhi
Date: May 06, 2022

ANNEXURE F2

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

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non- Executive Directors and Independent Directors. These Codes are available on the Company's website (www. apollotricoat. com).

I confirm that the Company has in respect of the year ended March 31, 2022, received from the Members of the Board and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Personnel means the Chief Financial Officer, Head - HR, Unit Heads and the Company Secretary as on March 31, 2022.

For and on behalf of Board of Directors

Sd/-
Rahul Gupta
Managing Director

Date: May 6, 2022
Place: Ghaziabad

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The members of
Apollo Tricoat Tubes Limited

We have examined the compliance of conditions of Corporate Governance by the Apollo Tricoat 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 the 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 of the company. Our examination was limited to the review of procedures and implementation thereof, as 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 furnished to us and the 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

Sd/-
Anjali Yadav
Proprietor
FCS No: 6628
C P No.: 7257
PR: 629/2019
UDIN: F006628D000277461

Place: New Delhi
Date: May 06, 2022

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L74900DL1983PLC014972
2	Name of the Company	Apollo Tricoat Tubes Limited
3	Registered address	37, Hargobind Enclave, Vikas Marg, Delhi-110092
4	Website	www.apollotricoat.com
5	E-mail id	info@apollotricoat.com
6	Financial year reported	2021-22
7	Sector(s) that the Company is engaged in	Manufacturing of Steel Tubes and Pipes Group 24311 **Description** – Manufacture of tubes, pipes and hollow profiles and of tube or pipe fittings of cast-iron/cast-steel Group 25111 **Description** – Manufacture of doors, windows and their frames and similar articles used on buildings 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)	1. Designer Roofing, Fencing, Steel Furniture 2. Steel-Door frames 3. Designer Hand Railing
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of international locations	None
	(b) Number of national locations	In India, Apollo Tricoat Tubes Limited has two main operational manufacturing locations, at Dujana, U.P. and Malur, Karnataka (near Bengaluru)
10	Markets served by the Company – Local/State/ National/ International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital	₹12.16 Crores
2	Total turnover	₹2732.11 Crores
3	Total profit after taxes	₹139.65 Crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹1.35 Crores including funds transferred to separate bank account (2%)
5	List of activities in which expenditure in 4 above has been incurred:-	• Health Care • Education • Livelihood enhancement

SECTION C: OTHER DETAILS

S. No.	Description	Information
1	Does the Company have any Subsidiary Company Companies?	No
2	Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	No, the other entities eg., Suppliers, distributors, etc. with whom the Company does business, do not participate in the BR Initiatives of the Company.

SECTION D: BR INFORMATION

1	**Details of Director/Directors responsible for BR**	
	(a) Details of the Director/Director responsible for implementation of the BR policy/policies	
	1 Name	Shri Rahul Gupta
	2 Designation	Managing Director
	3 DIN	07151792
	(b) Details of the BR head	
	1 Name	Shri Sunil Mittal
	2 Designation	Chief Financial Officer
	3 Telephone number	0120-4742700
	4 e-mail id	info@apollotricoat.com

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

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

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Most of the Policies are aligned to 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? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Apart from the Statutory policies, which are available on the website of the Company, other policies are available on the Tricoat'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

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 re- dressal 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

2. 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? What is the hyperlink for viewing this report? How frequently it is published?
   Yes, BR Report
   www.apollotricoat.com
   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 AntiBribery 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?

   All shareholders' complaints were replied 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.
   - Designer Roofing, Fencing, Steel Furniture
   - Steel-Door frames
   - Designer Hand Railing

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 & 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.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so:

   Yes

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees: 567
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 302
3. Please indicate the Number of permanent women employees: Nil
4. Please indicate the Number of permanent employees with disabilities: NIL
5. Do you have an employee association that is recognized by management? NIL
6. What percentage of your permanent employees is members of this recognized employee association? NA
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 on end of the financial year
A	Childlabour/forcedlabour/involuntarylabour	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- N.A.

   C. Casual/Temporary/Contractual Employees- 100%

   D. Employees with Disabilities- N.A.

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

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

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?
   Currently, the Company does not have any separate Human Rights policy; but the Business Responsibility policy covers the various aspects related to protection of human rights. The Company appreciates that human rights are inherent, universal, indivisible and interdependent in nature. The Company, within its sphere of influence, promotes the awareness and realization of human rights across its value chain. The Company strongly prohibits the employment of child, forced or compulsory labour in all of its operations
2. How many stakeholder complaints have been received in the past financial year? What percent was satisfactorily resolved by the management?
   In the reporting period, no violations or complaints surfaced and no areas were discovered where any of our operations or suppliers might be found to have significant risk of child labour or forced or compulsory labour

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

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors /NGOs/others.
   The Company is committed to improving health & safety of the society and protection of the environment, and the policy applies to the entire Company. Apollo Tricoat Tubes Limited also encourages its vendors and dealers to take health, safety and environment friendly measures for better future.
2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?If yes, please give hyperlink for webpage etc.
   The Company is contributing towards addressing global environmental issues by complying with ISO Certification i.e., ISO 9001, 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?

   Yes, the Company from time to time assesses various environmental risks associated with its activities and their likely impact. The purpose of this exercise is to establish and maintain procedures for identifying environmental/ Hazard aspects of activities. Company's operations are currently not affecting any eco-sensitive areas.
4. Does the Company have any project related to Clean Development Mechanism? None at present.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

   Yes, the Company has entered into Power Purchase Agreement with Radiance Ka Sunrise Two Private Limited for its plant situated at Malur to purchase 100% electricity generated in the Solar Plant with 7MW/10MWp (DC) solar power for tenure of 25 years by acquiring 26% stake on a fully diluted basis.

   In the longer term, the Company aims to reduce CO2 emissions and generate energy at a lower cost at its factories in India. This is in-sync with the Company's approach towards building a sustainable ecosystem through efficient energy consumption and optimum utilization of natural resources. 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 are 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.

   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, the Company has a well drafted CSR policy in line with Section 135 Schedule VII of the Companies Act, 2013. On the basis of needs of the community around the projects, either observed or on the basis of requests, the initiatives for the benefit of society are chosen and implemented. The Company met its entire obligation towards CSR spending during the financial year 2021-22 and the details are already mentioned in the CSR report included in a separate section of the Annual Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

   Most of the CSR programmes/projects undertaken by the Company are done with the help of NGOs which are implementing agencies.

3. Have you done any impact assessment of your initiative?

   The CSR Programmes/projects and their progress/impacts/outcomes are monitored and reviewed periodically by the Corporate Social Responsibility Committee of the Board and by the Board of Directors. Statutory 'impact assessment' is currently not applicable to the Company as its CSR obligations are well below the prescribed thresholds.

4. What is your company's direct contribution to community development projects- Amount in Rupees and the details of the projects undertaken.
   Please refer Annexure C to the Board 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/-
Rahul Gupta
Managing Director
(DIN: 07151792)

Date: May 6, 2022
Place: Ghaziabad

INDEPENDENT AUDITOR'S REPORT

To the Members of,
Apollo TriCoat Tubes Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Apollo Tricoat Tubes Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition Revenue for the Company consists primarily of sale of steel tubes and GP coils recognized in accordance with the accounting policy described in Note 1(ii)(f) to the accompanying financial statements. Refer Note 25 for details of revenue recognized during the year. Revenue recognition involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations, determination of transaction price for the contract factoring in the consideration payable to customers (such as discounts) and selection of a method to allocate the transaction price to the performance obligations. Revenue is recognised when (or as) a performance obligation is satisfied i.e., when 'control' of the goods underlying the particular performance obligation is transferred to the customer. The Company and its external stakeholders focus on revenue as a key performance measure, which could create an incentive for revenue to be overstated or recognised before control has been transferred. Further, there were considerable auditor efforts involved in testing of revenue transactions recorded during the year due to the large volume involved. Due to the above factors, we have identified testing of revenue recognition as a key audit matter.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the appropriateness of the revenue recognition accounting policies and its compliances with applicable accounting standards. • Tested the design, implementation and operating effectiveness of key internal controls relating to revenue recognition. • Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents of the sale. • Performed testing for samples of revenue transactions recorded closer to the year-end by verifying underlying documents, to assess the accuracy of the period in which revenue was recognized. • Performed substantive analytical procedure which include variance analysis of current year revenue with previous year revenue and corroborating the variance considering both qualitative and quantitative factors. • Assessed the Company's processes and tested the appropriateness of accruals for discounts as at the year-end as per the related policies. • Circularized balance confirmations (including transactions during the year) to a sample of customers and reviewed the reconciling items, if any. Performed alternate testing and subsequent testing for the confirmations not received. • Assessed that the disclosures made by the management are in accordance with applicable Indian accounting standards.

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Directors' Report, but does not include the standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Report on Corporate Governance and Directors' Report 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 in the audit or otherwise appears to be materially misstated.

When we read the Management Discussion and Analysis, Report on Corporate Governance and Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;
    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 standalone financial statements dealt with by this report are in agreement with the books of account;
    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

g) 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 does not have any pending litigation which would impact its financial position as at 31 March 2022;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43(j) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43(j) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 22502103AINJYM9973

Place: Noida
Date: 06 May 2022

ANNEXURE A

Referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of Apollo Tricoat Tubes Limited on the standalone financial statements for the year ended 31 March 2022

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 report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of two year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment, right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (Amount in ₹ Crore)	Held in name of	Title Deed Holder is a Promoter Director or their relative or employee	Period held	Reason for not being held in name of company
Land at Attibele plant	5.24	Best Steel Logistics Limited	No	14 October 2016- 31 March 2022	Refer Note 43(a)
Land at Dujana Plant	9.06	Potential Investments and Finance Limited	No	26 December 2015- 31 March 2022	Refer Note 43(a)

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) According to the representation received from the management of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit in excess of ₹5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to limited review.

(iii) (a) The Company has provided loans to Others as per details given below:

(Amount in rupees crores)

Particulars	Guarantees	Security	Loans	Advances in nature of loans (Refer note 38(iv))
Aggregate amount during the year - Others	-	-	100.00	764.79
Balance outstanding as at balance sheet date - Others	-	-	100.00	-

(b) In our opinion, and according to the information and explanations given to us, the investments made, and terms and conditions of the grant of all loans are prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal and interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans in nature of loan.

(f) The Company has not granted any loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Undisputed amounts payables in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months:

Name of the statute	Nature of the dues	Amount (₹ crores)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Income Tax Act,1961	Advance tax	5.83	FY 21-22	15 June 2021	Not applicable	Refer note 24
Income Tax Act,1961	Advance tax	11.67	FY 21-22	15 September 2021	Not applicable	Refer note 24

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the 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 associate.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its associate company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act 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. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 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) The Company has transferred the remaining unspent CSR amount under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 22502103AINJYM9973

Place: Noida
Date: 06 May 2022

ANNEXURE B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Apollo Tricoat Tubes Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the Guidance Note issued by the 'ICAI'.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 22502103AINJYM9973

Place: Noida
Date: 06 May 2022

BALANCE SHEET
AS AT MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	2(a)	372.22	322.93
(b) Capital work-in-progress	2(b)	9.11	12.39
(c) Right of use assets	2(c)	13.31	13.47
(d) Intangible assets	2(d)	0.05	0.21
(e) Financial assets			
(i) Investments	3	1.36	-
(ii) Loans	4	100.00	-
(iii) Other financial assets	5	1.64	1.75
(f) Other non-current assets	6	5.49	3.40
Total non-current assets		**503.18**	**354.15**
Current assets			
(a) Inventories	7	83.76	64.38
(b) Financial assets			
(i) Trade receivables	8	37.34	11.62
(ii) Cash and cash equivalents	9	53.09	9.80
(iii) Bank balance other than (ii) above	10	10.70	-
(iv) Loans	11	-	0.05
(v) Other financial assets	12	1.83	0.40
(c) Other current assets	13	17.38	16.02
Total current assets		**204.10**	**102.27**
Total assets		**707.28**	**456.42**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14(a)	12.16	6.08
(b) Other equity	14(b)	431.84	298.18
Total equity		**444.00**	**304.26**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	35.80	48.99
(b) Provisions	16	1.19	0.88
(c) Deferred tax liabilities (net)	17	17.57	12.12
(d) Other non-current liabilities	18	20.36	20.74
Total non-current liabilities		**74.92**	**82.73**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	13.19	13.04
(ia) Lease liabilities	2(c)	0.03	0.06
(ii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		1.02	0.80
- total outstanding dues of creditors other than micro enterprises and small enterprises		125.70	33.09
(iii) Other financial liabilities	21	2.61	2.05
(b) Other current liabilities	22	6.53	18.43
(c) Provisions	23	0.36	0.26
(d) Current tax liabilities (net)	24	38.92	1.70
Total current liabilities		**188.36**	**69.43**
Total equity and liabilities		**707.28**	**456.42**
See accompanying notes to the financial statements	1-43		

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

AS AT MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
I. Revenue from operations			
(a) Sale of products		2,652.97	1,410.78
(b) Other operating income		79.14	62.03
Total revenue from operations	25	**2,732.11**	**1,472.81**
II. Other income	26	2.40	1.80
III. Total revenue (I+II)		**2,734.51**	**1,474.61**
IV. Expenses			
(a) Cost of materials consumed	27	2,274.88	1,087.22
(b) Purchase of stock-in-trade		83.09	122.86
(c) Changes in inventories of finished goods and rejection & scrap	28	16.64	(7.73)
(d) Employee benefits expense	29	22.78	19.05
(e) Finance costs	30	4.96	9.70
(f) Depreciation and amortisation expense	31	19.08	16.53
(g) Other expenses	32	126.07	87.73
Total expenses		**2,547.50**	**1,335.36**
V. Profit before tax (III-IV)		**187.01**	**139.25**
VI. Tax expense:			
(a) Current tax		41.94	30.25
(b) Deferred tax charge (net)	17	5.42	4.56
(c) Adjustment of tax relating to earlier year	34	-	(0.57)
Total tax expense	34	47.36	34.24
VII. Profit for the year (V-VI)		**139.65**	**105.01**
VIII. Other comprehensive income for the year			
Add/(less) : items that will not be reclassified to profit or loss			
(a) Remeasurement of post employment benefit obligation		0.12	(0.40)
(b) Income tax relating to above item		(0.03)	0.10
Other comprehensive income for the year		0.09	(0.30)
IX. Total comprehensive income for the year (VII+VIII)		**139.74**	**104.71**
X. Earnings per equity share of face value of ₹ 2 each:			
(a) Basic (in ₹)	35	22.97	17.27
(b) Diluted (in ₹)	35	22.97	17.27
See accompanying notes to the financial statements	1-43		

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of
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Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A. Equity share capital

(Amount in ₹ Crore)

Particulars	Amount
Balance as at April 1, 2020	**6.08**
Changes during the year ended March 31, 2021	-
Balance as at March 31, 2021	**6.08**
Changes during the year ended March 31, 2022	6.08
Balance as at March 31, 2022	**12.16**

B. Other equity

(Amount in ₹ Crore)

Particulars	Reserves and surplus			Total
	Securities premium	Capital reserve	Retained Earnings	
Balance as at April 1, 2020	**140.42**	**0.30**	**52.75**	**193.47**
Profit for the year ended March 31, 2021	-	-	105.01	105.01
Other comprehensive income for the year (net of tax)	-	-	(0.30)	(0.30)
Balance as at March 31, 2021	**140.42**	**0.30**	**157.46**	**298.18**
Profit for the year ended March 31, 2022	-	-	139.65	139.65
Other comprehensive income for the year (net of tax)	-	-	0.09	0.09
Issue of bonus shares (refer note 14(a)(vi))	(6.08)	-	-	(6.08)
Balance as at March 31, 2022	**134.34**	**0.30**	**297.20**	**431.84**
The accompanying notes form an integral part of these financial statements.	1-43			

As per our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
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DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	187.01	139.25
Adjustments for :		
Depreciation and amortisation expense	19.08	16.53
Profit on sale of property, plant and equipment (net)	(0.01)	-
Finance costs	4.96	9.70
Interest income	(0.97)	-
Net unrealised exchange gain	(0.03)	(0.03)
Amount written back	(0.01)	-
Bad debts written off	-	0.01
Provision for slow moving inventory of stores and spares	0.23	-
Unwinding of deferred income	(1.18)	(1.02)
Operating profit before working capital changes	**209.08**	**164.44**
Changes in working capital :		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(19.60)	12.40
Trade receivables	(25.73)	26.30
Current loans and other financial assets	(0.87)	(0.31)
Other non-current financial assets	0.11	0.01
Other current assets	(1.36)	3.50
Other non-current assets	0.04	0.08
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	92.83	(78.51)
Other current liabilities	(11.96)	16.03
Provisions	0.53	0.35
Other current financial liabilities	0.06	-
Cash generated from operations	**243.13**	**144.29**
Income tax paid	(4.72)	(29.50)
Net cash flow from operating activities (A)	**238.41**	**114.79**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets*	(67.94)	(50.25)
Investment in bank deposits	(10.62)	-
Loan to related party	(100.00)	-
Payment to escrow account	(0.08)	-
Proceeds from sale of property, plant and equipment	4.18	0.59
Interest received	0.45	-
Investment in associate	(2.90)	-
Net cash used in investing activities (B)	**(176.91)**	**(49.66)**

STANDALONE CASH FLOW STATEMENT (CONTD.)

FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
C. Cash flow from financing activities		
Repayment of long-term borrowings	(13.04)	(112.02)
Proceeds from long-term borrowings	-	66.05
Repayment of short-term borrowings (net)	-	(4.56)
Payment of lease liabilities	(0.03)	(0.04)
Finance costs paid	(5.14)	(9.52)
Net cash used in financing activities (C)	**(18.21)**	**(60.09)**
Net increase in cash and cash equivalents (A+B+C)	43.29	5.04
Cash and cash equivalents at the beginning of the year	9.80	4.76
Cash and cash equivalents at the end of the year	**53.09**	**9.80**
Cash and cash equivalents comprises :		
Cash on hand	0.03	-
Balances with banks - in current accounts	4.05	9.80
Balances with banks - in fixed deposits with maturity of less than 3 months	49.01	-
Total cash and cash equivalents	**53.09**	**9.80**

*Including adjustments on account of capital work in progress, capital advances and capital creditors

Refer note 41 for reconciliation of liabilities arising from financing activities.

The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7, "Statement of Cash Flows".

As per our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

1(i) Company background

Apollo Tricoat Tubes Limited incorporated on January 12, 1983 is engaged in the business of production of ERW steel tubes and GP Coils. The Company has two manufacturing unit one at Bengaluru, Karnataka and second at Ghaziabad, Uttar Pradesh. The Company is a public company listed on Bombay Stock Exchange (BSE). The registered office of the Company is in New Delhi.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 6, 2022.

(ii) Significant Accounting Policies

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

(a) Statement of compliance

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

(b) Basis of preparation

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

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

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Use of estimates and critical accounting judgements

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

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

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

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

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.

Income Taxes

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

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

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.

Fair value measurement of financial instruments

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

(d) Operating cycle

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

(e) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

(f) Revenue recognition

The revenue is recognised once the entity satisfied that the performance obligation and 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 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.

(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) Services rendered

Revenue from service related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

(g) Income tax

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

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

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

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

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

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

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

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

(h) 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 profit or loss on a systematic basis over the expected useful life of the related assets.

(i) 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.

As a lessor

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

(j) Impairment of assets

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

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

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

(k) Cash and cash equivalents and Cash Flow Statement

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

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

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

(l) Inventories

Raw materials and 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. Inventory of stores & spares are valued at moving weighted average cost. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Inventory of Slow moving stores & spares are provided at the rate of 10% on Straight line basis.

Rejection and scrap

Rejection and scrap are valued at net realisable value.

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

(m) Property, plant and equipment and Capital work-in-progress

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

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

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

Machinery spares which can be used only in connection with an item of fixed asset and whose

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

use is expected to be irregular are capitalised and depreciated over the useful life of 3 years.

The Company has a policy of capitalizing insurance spares having value more than or equal to ₹ 1 lakh.

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

Depreciable amount for assets is the cost of an asset less its estimated 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 years
(b) Roads- 10 years
(c) Plant and machinery used in manufacturing of pipe 10-20 years
(d) Other plant and machinery- 2 to 10 years
(e) Vehicles- 8 years
(f) Furniture and fixtures- 10 years
(g) Office equipment- 2-5 years
(h) Computer - 3 years
(i) Server - 6 years

(n) Intangible assets

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

Computer software - 3 to 6 years

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

(o) Earnings per share

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

(p) Provisions

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

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

(q) Contingent liabilities

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

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

(r) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

Defined contribution plans: The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

(s) Borrowings

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

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(t) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

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

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

A. Investments and other financial assets

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and 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 and 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 and 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 FVTOCI 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 and 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 FVTOCI are not reported separately from other changes in fair value.

(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 FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Company determines whether there has been a significant increase in credit risk.

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

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

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

(b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are 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 and 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 and 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 and loss as other income or finance costs.

(v) Offsetting financial instruments

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

(w) Segment information

The Company is engaged in the business of production of ERW steel tubes. As the Company's business activity primarily falls within a single business and geographical segment i.e. manufacture of steel tubes. Therefore, there is no reportable segment for the Company as per the requirement of Ind AS 108 - Operating Segments.

(x) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirements of schedule III of the Act unless otherwise stated.

(y) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below. Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

2(a) : Property, plant and equipment

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amounts of :		
Freehold land	14.29	14.29
Building	63.20	55.99
Furniture and fixtures	1.55	0.93
Plant and machinery	290.31	249.08
Office equipments	1.22	0.91
Vehicles	1.65	1.73
	372.22	**322.93**

(Amount in ₹ Crore)

	Freehold land	Building	Furniture and fixtures	Plant and machinery	Office equip-ments	Vehicles	Total
Gross carrying amount							
Balance as at April 1, 2020	**14.29**	**56.34**	**0.80**	**225.48**	**1.29**	**0.47**	**298.67**
Additions during the year	-	3.04	0.32	46.71	0.14	1.41	51.62
Deletions during the year	-	-	-	(0.62)	-	-	(0.62)
Balance as at March 31, 2021	**14.29**	**59.38**	**1.12**	**271.57**	**1.43**	**1.88**	**349.67**
Additions during the year	-	9.41	0.77	58.53	0.71	0.15	69.57
Deletions during the year	-	-	-	(1.68)	-	-	(1.68)
Balance as at March 31, 2022	**14.29**	**68.79**	**1.89**	**328.42**	**2.14**	**2.03**	**417.56**
Accumulated depreciation							
Balance as at April 1, 2020	**-**	**1.40**	**0.10**	**8.82**	**0.20**	**0.05**	**10.57**
Reversal on deletions during the year	-	-	-	(0.03)	-	-	(0.03)
Depreciation expense during the year	-	1.99	0.09	13.70	0.32	0.10	16.20
Balance as at March 31, 2021	**-**	**3.39**	**0.19**	**22.49**	**0.52**	**0.15**	**26.74**
Reversal on deletions during the year	-	-	-	(0.16)	-	-	(0.16)
Depreciation expense during the year	-	2.20	0.15	15.78	0.40	0.23	18.76
Balance as at March 31, 2022	**-**	**5.59**	**0.34**	**38.11**	**0.92**	**0.38**	**45.34**
Net carrying amount							
Balance as at March 31, 2021	**14.29**	**55.99**	**0.93**	**249.08**	**0.91**	**1.73**	**322.93**
Balance as at March 31, 2022	**14.29**	**63.20**	**1.55**	**290.31**	**1.22**	**1.65**	**372.22**

Note :

(1) Property, plant and equipment as detailed above have been pledged as security for term loans taken as at March 31, 2022. Refer note 15 and 19 for loans taken against which these property, plant and equipment are pledged.

2(b) Capital work-in-progress

(Amount in ₹ Crore)

	Building	Plant and machinery	Total
Balance as at April 1, 2020	**0.73**	**0.63**	**1.36**
Additions during the year	6.45	20.92	27.37
Transfer to property, plant and equipment	(4.03)	(12.31)	(16.34)
Balance as at March 31, 2021	**3.15**	**9.24**	**12.39**
Additions during the year	6.56	56.14	62.70
Deletions during the year	-	(2.50)	(2.50)
Transfer to property, plant and equipment	(8.93)	(54.55)	(63.48)
Balance as at March 31, 2022	**0.78**	**8.33**	**9.11**

2(c) Right of use assets

(Amount in ₹ Crore)

Particulars	Category of ROU Asset			Total
	Land	Building	Vehicle	
Gross carrying amount				
Balance as at April 1, 2020	13.66	0.04	0.11	13.81
Additions during the year	-	-	-	-
Balance as at March 31, 2021	**13.66**	**0.04**	**0.11**	**13.81**
Additions during the year	-	-	-	-
Balance as at March 31,2022	**13.66**	**0.04**	**0.11**	**13.81**
Accumulated depreciation				
Balance as at April 1, 2020	(0.14)	(0.02)	(0.01)	(0.17)
Amortisation expense during the year	(0.14)	(0.02)	(0.01)	(0.17)
Balance as at March 31, 2021	**(0.28)**	**(0.04)**	**(0.02)**	**(0.34)**
Amortisation expense during the year	(0.15)	(0.00)	(0.01)	(0.16)
Balance as at March 31,2022	**(0.43)**	**(0.04)**	**(0.03)**	**(0.50)**
Net carrying amount				
Balance as at March 31,2021	**13.38**	**0.00**	**0.09**	**13.47**
Balance as at March 31,2022	**13.23**	**0.00**	**0.08**	**13.31**

The aggregate amorisation expense on right of use assets is included under depreciation and amortisation expense in the Statement of profit and loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021 :

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liability	0.03	0.06
Non-current lease liability	-	-
Total	**0.03**	**0.06**

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	0.06	0.09
Finance cost incurred during the year	0.00	0.01
Payment of lease liabilities	(0.03)	(0.04)
Balance at the end	**0.03**	**0.06**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 :

(Amount in ₹ Crore)

Particulars	As at March 31, 2022		
	Lease payments	Finance charges	Net present value
Less than one year	0.03	0.00	0.03
One to five years	-	-	-
More than five years	-	-	-
Total	**0.03**	**0.00**	**0.03**

(Amount in ₹ Crore)

Particulars	As at March 31, 2021		
	Lease payments	Finance charges	Net present value
Less than one year	0.06	0.00	0.06
One to five years	-	-	-
More than five years	-	-	-
Total	**0.06**	**0.00**	**0.06**

Total cash outflow pertaining to leases during the year ended March 31, 2022 is ₹0.03 crore (March 31, 2021 ₹0.04 crore)

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 ₹ Nil for the year ended March 31, 2022 (March 31, 2021 ₹0.00 crore).

Rental income on assets given on operating lease is ₹0.24 crore for the year ended March 31, 2022 (March 31, 2021 ₹0.24 crore).

2(d) Intangible assets

(Amount in ₹ Crore)

Particulars	Computer Software
Gross carrying amount	
Balance as at April 1, 2020	0.48
Additions during the year	0.03
Balance as at March 31, 2021	**0.51**
Additions during the year	-
Balance as at March 31, 2022	**0.51**
Accumulated amortisation	
Balance as at April 1, 2020	**0.14**
Amortisation during the year	0.16
Balance as at March 31, 2021	**0.30**
Amortisation during the year	0.16
Balance as at March 31, 2022	**0.46**
Net carrying amount	
Balance as at March 31, 2021	0.21
Balance as at March 31, 2022	**0.05**

3 Investments

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Investments in associates (unquoted, fully paid) (carried at amortised cost) : 29,00,000 (March 31, 2021: Nil) equity shares of ₹10 each fully paid up in Radiance Ka Sunrise Two Private Limited (refer note below)	1.36	-
Total	**1.36**	**-**

Note :

The Company has entered into a Power Purchase Agreement ('PPA') with Radiance Ka Sunrise Two Private Limited ('Radiance') to procure 100% of the output of solar energy produced by "Radiance" for the next 25 years. Also pursuant to Share Subscription and Shareholder's agreement, the Company has during the year ended March 31, 2022 acquired 26% stake in 'Radiance' divided into 29,00,000 equity shares of ₹10 each for a total consideration of ₹2.90 crore for meeting the regulatory requirement of PPA. As per the agreements entered, in the event of termination of the contracts or completion of the contract term, the Company will receive the investment made by it without any share of profit/loss in associate. Accordingly, the investment amount has been amortised to ₹1.36 crores to give the effect of fixed return expected out of the investment and remaining amount of ₹1.54 crores has been classified as prepaid expenses (refer note 6(b)). As the Company has significant influence, the investment has been accounted as an investment in associate as per Ind AS 28 "Investments in associates and joint ventures".

4 Loans (Non-current)

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loan to related party (refer note below & note 38)	100.00	-
Total	**100.00**	**-**

Note :

During the current year, the Company has given a loan amounting to ₹100.00 crore carrying interest 5.5% p.a. to the ultimate holding Company i.e. APL Apollo Tubes Limited, for meeting the short and long term funding requirements. The loan is repayable upto 15 months in one or more tranches as and when funds are available with APL Apollo Tubes Limited. Closing balance as at March 31, 2022 is ₹100.00 crore.

5 Other financial assets

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Security deposits	1.64	1.75
Total	**1.64**	**1.75**

6 Other non-current assets

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Capital advances	3.87	3.28
(b) Prepaid expenses (refer note 3)	1.62	0.12
Total	**5.49**	**3.40**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

7 Inventories

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Raw material (including stock-in-transit)	62.85	26.79
(b) Finished goods (including stock-in-transit)	11.16	30.65
(c) Stores and spares (including stock-in-transit) (refer note (iii) below)	6.15	6.19
(d) Rejection and scrap (including stock-in-transit)	3.60	0.75
Total	**83.76**	**64.38**

Notes :

(i) Cost of inventory (including consumption of stores and spares) recognised as expense during the year amounted to ₹2,399.40 crore (March 31, 2021 : ₹1,219.11 crore).

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

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw material	0.79	0.84
Finished goods	5.06	12.18
Rejection and scrap	0.39	0.07
Stores and spares	0.04	-

(iii) The Company has created a provision for slow moving inventory of stores & spares of ₹0.23 crores (March 31, 2021 : ₹ Nil crores)

(iv) The mode of valuation of inventories has been stated in note 1(ii)(l) of significant accounting policies.

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

8 Trade receivables

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Considered good		
(i) Related parties (refer note 38)	12.36	1.42
(ii) Other than related parties	24.98	10.20
Total	**37.34**	**11.62**

Note : To the extent of trade receivables, the Company is not exposed to any significant credit risk exposure.

(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.

(ii) Ageing of trade receivables and credit risk arising from is as below : (Amount in ₹ Crore)

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than Six months	6 months-1 year	1-2 years	Total	Allowance for credit losses (refer note 40(b))	Net credit risk
(a) Undisputed trade receivables - considered good	37.24	0.04	0.06	37.34	-	37.34
(b) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than Six months	6 months- 1 year	1-2 years	Total	Allowance for credit losses (refer note 40(b))	Net credit risk
(c) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(d) Disputed trade receivables - considered good	-	-	-	-	-	-
(e) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(f) Disputed trade receivables - credit impaired	-	-	-	-	-	-
	37.24	**0.04**	**0.06**	**37.34**	**-**	**37.34**

(Amount in ₹ Crore)

Particulars	As at March 31, 2021					
	Outstanding for following periods from due date of payment					
	Less than Six months	6 months- 1 year	1-2 years	Total	Allowance for credit losses (refer note 40(b))	Net credit risk
(a) Undisputed trade receivables - considered good	11.62	-	-	11.62	-	11.62
(b) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(c) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(d) Disputed trade receivables - considered good	-	-	-	-	-	-
(e) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(f) Disputed trade receivables - credit impaired	-	-	-	-	-	-
	11.62	**-**	**-**	**11.62**	**-**	**11.62**

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

Note :

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

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

9 Cash and cash equivalents

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash on hand	0.03	0.00
(b) Balances with banks - in current accounts	4.05	9.80
(c) Balances with banks - in fixed deposits with maturity of less than 3 months	49.01	-
Total	**53.09**	**9.80**

10 Bank Balance other than Cash and Cash equivalent

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) In earmarked accounts		
(i) In fixed deposit with maturity more than 3 months and less than 12 months at inception*	10.62	-
(ii) Balance with escrow account	0.08	-
Total	**10.70**	**-**

*Bank balances held as margin money deposits against guarantees

11 Loans (Current)

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loans to employees	-	0.05
Total	**-**	**0.05**

12 Other financial assets (Current)

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Claim receivables	1.30	0.39
(b) Security deposit	0.01	0.01
(c) Interest accrued but not yet due	0.52	-
Total	**1.83**	**0.40**

13 Other current assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Advance to suppliers	17.12	15.96
(b) Advances to employees	0.17	0.00
(c) Sales tax appeal		
Considered doubtful	0.13	0.13
Less : provision created for sales tax appeal	(0.13)	(0.13)
(d) Prepaid expenses	0.09	0.06
Total	**17.38**	**16.02**

14 Equity

(a) Equity share capital

(Amount in ₹ Crore, except otherwise stated)

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 with voting rights	75,000,000	15.00	32,500,000	6.50
	75,000,000	**15.00**	**32,500,000**	**6.50**
Issued capital				
Equity shares of ₹2 each with voting rights (refer note (vi) below)	60,800,000	12.16	30,400,000	6.08
	60,800,000	**12.16**	**30,400,000**	**6.08**
Subscribed and fully paid up capital				
Equity shares of ₹2 each with voting rights (refer note (vi) below)	60,800,000	12.16	30,400,000	6.08
	60,800,000	**12.16**	**30,400,000**	**6.08**

(i) Reconciliation of the number of shares and amount outstanding as at March 31, 2022 and March 31, 2021:

(Amount in ₹ Crore, except otherwise stated)

Particulars	Number of shares		Amount	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Equity shares with voting rights				
Outstanding at the beginning of the year	**30,400,000**	**30,400,000**	**6.08**	**6.08**
Add: Issued during the year (refer note (vi) below)	30,400,000	-	6.08	-
Outstanding at the end of the year	**60,800,000**	**30,400,000**	**12.16**	**6.08**

(ii) Rights, Preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars	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				
Shri Lakshmi Metal Udyog Limited (Holding Company)	33,940,000	55.82	16,970,000	55.82

*As per records of the Company including its register of Members

(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
Shri Lakshmi Metal Udyog Limited (Holding Company)	33,940,000	55.82	16,970,000	55.82

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(v) Change in shares held by promoters during the current year

Name of Promoter	For the year ended March 31, 2022 Increase / (decrease) in shareholding	For the year ended March 31, 2021 Increase / (decrease) in shareholding
Shri Lakshmi Metal Udyog Limited (Holding Company)	0.00%	4.96%

(vi) The Board of Directors of Apollo Tricoat 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 share of ₹2 each held by shareholders of the Company as on the record date.

Pursuant to the approval of the shareholders through postal ballot (including e-voting), the Company has allotted 3,04,00,000 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 ₹6.08 crores from other equity.

The earning per share have been adjusted for bonus issue for previous year presented.

(b) Other equity

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	134.34	140.42
Capital reserve	0.30	0.30
Retained earnings	297.20	157.46
Total	**431.84**	**298.18**
(i) Securities premium		
Balance at the beginning of the year	140.42	140.42
Less: Utilised during the year on issue of bonus shares (see note 14(a)(vi) above)	(6.08)	-
Balance at the end of the year	**134.34**	**140.42**
(ii) Capital reserve		
Balance at the beginning of the year	0.30	0.30
Balance at the end of the year	**0.30**	**0.30**
(iii) Retained earnings		
Balance at the beginning of the year	157.46	52.75
Add: Total comprehensive income for the year	139.74	104.71
Balance at the end of the year	**297.20**	**157.46**
Total	**431.84**	**298.18**

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) **Retained earnings:** It represents unallocated / undistributed profits of the Company. The same is available for distribution.

(iii) **Capital reserve:** Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently.

(iv) **Items of other comprehensive income:** It represents profits / (loss) of the Company which will not be reclassified to statement of profit or loss.

15 Borrowings (Non-current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Term Loan :		
- From banks		
(i) Secured (refer note (i) below)	35.80	48.99
Total	**35.80**	**48.99**

(Amount in ₹ Crore)

Particulars	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:				
Term loan -1 Term loan facilities are secured by first charge through equitable mortgage of the Company's land and building situated at Dujana, Dadri, Gautam Buddha 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 Buddha 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 June 2022 and ending in December 2025 (As at March 31, 2021 : 19 quarterly installments commencing from June 2021 and ending in December 2025). Applicable Rate of Interest is 5.59% p.a. (linked with 3 month T Bill) (March 31, 2021: 7.25% p.a. (linked with 6 months MCLR)).	27.50	10.00	37.50	10.00
Term loan -2 Term loan facilities are secured by first charge through equitable mortgage of the Company's land and building situated at Dujana, Dadri, Gautam Buddha 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 Buddha 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 May 2022 and ending in May 2025 (As at March 31, 2021 : 9 unequal half yearly installments commencing from May 2021 and ending in May 2025). Applicable rate of interest is 5.58% p.a. (linked with 3 month T Bill) (March 31, 2021: 7.25% p.a. (linked with 6 months MCLR)).	8.29	3.17	11.46	3.02

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ Crore)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
Vehicle loan from bank are secured as follows:				
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 (As at March 31, 2021, there were 34 installments outstanding). Applicable rate of interest is 7.75% p.a. for both the years.	0.01	0.02	0.03	0.02
Total	**35.80**	**13.19**	**48.99**	**13.04**

16 Provisions (Non-current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for compensated absences	0.53	0.41
(b) Provision for gratuity (refer note 37)	0.66	0.47
Total	**1.19**	**0.88**

17 Deferred tax liabilities (net)

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

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Deferred tax liabilities on account of		
- Property, plant and equipment and intangible assets	17.99	12.44
Total deferred tax liabilities (A)	**17.99**	**12.44**
(ii) Deferred tax assets on account of		
- Provision for sales tax	0.03	0.03
- Provision for employee benefit expenses	0.39	0.29
Total deferred tax assets (B)	**0.42**	**0.32**
Deferred tax liabilities (net) (A-B)	**17.57**	**12.12**

(b) Movement in deferred tax liabilities/(assets)

(Amount in ₹ Crore)

Particulars	As at April 1, 2020	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2021
Movement in deferred tax liabilities (A)	**Movement in deferred tax liabilities (A)**			
Property, plant and equipment and intangible assets	7.76	4.68	-	12.44
Total	**7.76**	**4.68**	**-**	**12.44**
Deferred tax assets (B)				
Provision for sales tax	-	0.03	-	0.03
Provision for employee benefits expense	0.10	0.09	0.10	0.29
Total	**0.10**	**0.12**	**0.10**	**0.32**
Deferred tax liabilities (net) (A-B)	**7.66**	**4.56**	**(0.10)**	**12.12**

(Amount in ₹ Crore)

Particulars	As at April 1, 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2022
Movement in deferred tax liabilities (A)				
Property, plant and equipment and intangible assets	12.44	5.55	-	17.99
Total	**12.44**	**5.55**	**-**	**17.99**
Deferred tax assets (B)				
Provision for sales tax	0.03	-	-	0.03
Provision for employee benefits expense	0.29	0.13	(0.03)	0.39
Total	**0.32**	**0.13**	**(0.03)**	**0.42**
Deferred tax liabilities (net) (A-B)	**12.12**	**5.42**	**0.03**	**17.57**

Note :

Refer note 34 for effective tax reconciliation

18 Other non-current liabilities

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Deferred income (refer note below)	20.36	20.74
Total	**20.36**	**20.74**

Note :

Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. The income will be recognised in Profit or loss on a straight line basis over the useful life of the related assets. (refer note 36(b)(2)).

19 Borrowings (Current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
From banks (secured)		
(i) Current maturities of non current borrowings (refer note 15)	13.19	13.04
Total	**13.19**	**13.04**

20 Trade payables

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	1.02	0.80
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	125.70	33.09
Total	**126.72**	**33.89**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Outstanding for following periods from due date of transaction: (Amount in ₹ Crore)

Particulars	As at March 31, 2022				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	1.02	-	-	1.02
Others	15.50	110.11	0.08	0.01	125.70
Disputed dues-MSME	-	-	-	-	-
Disputed dues-others	-	-	-	-	-
	15.50	**111.13**	**0.08**	**0.01**	**126.72**

Outstanding for following periods from due date of transaction: (Amount in ₹ Crore)

Particulars	As at March 31, 2021				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	0.80	-	-	0.80
Others	16.97	16.12	-	-	33.09
Disputed dues-MSME	-	-	-	-	-
Disputed dues-others	-	-	-	-	-
	16.97	**16.92**	**-**	**-**	**33.89**

21 Other financial liabilities (Current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Capital creditors	2.30	1.62
(b) Security deposits payable	0.05	-
(c) Interest accrued but not due on borrowings	0.26	0.43
Total	**2.61**	**2.05**

22 Other current liabilities

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory dues payable	3.04	9.98
(b) Advance from customers	2.29	7.31
(c) Advance from employees	-	0.01
(d) Deferred income (refer note 18)	1.20	1.13
Total	**6.53**	**18.43**

23 Provisions (Current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for compensated absences	0.16	0.06
(b) Provision for gratuity (refer note 37)	0.20	0.20
Total	**0.36**	**0.26**

24 Current tax liabilities (net)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for tax (net of prepaid taxes ₹33.35 crore, as at March 31, 2021 ₹28.63 Crores) (refer note below)	38.92	1.70
Total	**38.92**	**1.70**

Note :

The Board of Directors of Apollo Tricoat Tubes Limited ("Company"), at its meeting on February 27, 2021, had considered and approved a draft scheme of amalgamation ('scheme') of the Company and Shri Lakshmi Metal Udyog Limited ("Shri Lakshmi") with APL Apollo Tubes Limited ("APL Apollo"), its Holding Company and their respective shareholders and creditors, as may be modified from time to time ('scheme'), under Section 230 to 232 of the Companies Act, 2013. 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.

As the merger order is effective from April 1, 2021, income tax return for financial year 2021-22 will be filed by APL Apollo Tubes Limited after giving effect of Merger of above three companies. There is no requirement to file separate income tax return for Apollo Tricoat Tubes Limited and hence, APL Apollo Tubes Limited has been discharging obligation towards advance tax of all three above mentioned companies.

25 Revenue from operations

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sale of products (refer note (i) below)	2,652.97	1,410.78
(b) Other operating income (refer note (iii) below)	79.14	62.03
Total	**2,732.11**	**1,472.81**

Disclosure on revenue pursuant to Ind AS 115- Revenue from contract with customers :

(i) Reconciliation of revenue recognised with contract price :

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contract price	2,701.14	1,445.00
Adjustments for:		
Discount & incentives	(48.17)	(34.22)
Revenue from operations	**2,652.97**	**1,410.78**

(ii) Change in the contract liabilities balances during the year are as follows :

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	7.30	0.60
Addition during the year	2.29	7.30
Revenue recognised during the year	(7.30)	(0.60)
Balance at the closing of the year	**2.29**	**7.30**

(iii) Other operating income comprises

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of scrap	73.89	41.15
Job work	5.25	20.88
Total	**79.14**	**62.03**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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26 Other income

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gain on foreign currency transactions (net)	-	0.53
(b) Interest income (at amortised cost)	0.97	-
(c) Profit on sale of property, plant and equipment (net)	0.01	-
(d) Miscellaneous income (refer note below)	1.42	1.27
Total	**2.40**	**1.80**

Note :

Miscellaneous income includes unwinding of deferred income of ₹1.17 crores (March 31, 2021 : ₹1.02 crores)

27 Cost of materials consumed

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories of raw materials as at the beginning of the year	26.79	45.26
Add: Purchases during the year	2,310.94	1,068.75
Less: Inventories of raw materials as at the end of the year	62.85	26.79
Total	**2,274.88**	**1,087.22**

28 Changes in inventories of finished goods and rejection & scrap

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year:		
(a) Finished goods	11.16	30.65
(b) Rejection & scrap	3.60	0.75
	14.76	**31.40**
Inventories at the beginning of the year:		
(a) Finished goods	30.65	22.17
(b) Rejection & scrap	0.75	1.50
	31.40	**23.67**
Total	**16.64**	**(7.73)**

29 Employee benefits expense

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	21.73	18.22
(b) Contribution to provident and other funds	0.81	0.66
(c) Staff welfare expenses	0.24	0.17
Total	**22.78**	**19.05**

During the year, the Company recognised an amount of ₹2.84 crore (Year ended March 31, 2021 ₹2.48 crore) as remuneration to key managerial personnel. The details of such remuneration is as below:

(Amount in ₹ Crore)

(i) Short term employee benefits	2.45	2.19
(ii) Post employment benefits	0.20	0.22
(iii) Other long term employee benefits	0.19	0.07
	2.84	**2.48**

30 Finance costs

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense :		
(i) on working capital facilities	0.71	0.55
(ii) on term loan	3.73	5.54
(iii) on account of Ind AS 116 "Leases" (refer note 2(c))	0.00	0.01
(iv) on delayed payment of income tax	-	0.52
(b) Other borrowing cost	0.52	3.08
Total	**4.96**	**9.70**

31 Depreciation and amortisation expense

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation on property, plant and equipment (refer note 2(a))	18.76	16.20
(b) Amortisation of intangible assets (refer note 2(d))	0.16	0.16
(c) Amortisation on right of use assets (refer note 2(c))	0.16	0.17
Total	**19.08**	**16.53**

32 Other expenses

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Consumption of stores and spare parts	24.79	16.76
(b) Power and fuel	40.50	28.29
(c) Rent including lease rentals	-	0.00
(d) Legal and professional charges (refer note (i) below)	1.22	0.61
(e) Repair and maintenance:		
(i) Building	0.05	0.16
(ii) Plant and machinery	2.07	1.25
(iii) Others	0.76	0.74
(f) Insurance	0.19	0.27
(g) Rates and taxes	0.24	0.14
(h) Freight outward	35.83	29.77
(i) Advertising and sales promotion	0.07	0.99
(j) Job work charges	0.05	0.11
(k) Corporate social responsibilities (refer note 43(d))	1.35	0.49
(l) Loss on foreign currency transactions (net)	0.13	-
(m) Travelling and conveyance	0.64	0.08
(n) Security services	0.58	0.55
(o) Director sitting fee	0.15	0.17
(p) Provision for slow moving inventory of stores and spares	0.23	-
(q) Management support services (refer note 33(a))	11.07	3.57
(r) Miscellaneous expenses	6.15	3.78
Total	**126.07**	**87.73**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

Note :-

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

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
To statutory auditors		
For audit	0.25	0.14
For other services	0.01	-
Reimbursement of expenses	0.00	-
Total	**0.26**	**0.14**

33 Allocation of common expenses

(a) During the year, the Company has paid the charges for common expenses incurred by the ultimate holding Company on behalf of the Company. The allocation of common expenses has been carried out on the basis of turnover of respective companies, as per latest audited financial statements.

(b) During the year, the Company has charged back the common expenses incurred by it on behalf of group companies on cost i.e. cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of respective companies, as per latest audited financial statements.

34 Income tax expense

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current tax on profits for the year	41.94	30.25
Adjustments for current tax of prior periods	-	(0.57)
Total current tax expense	**41.94**	**29.68**
Deferred tax		
Increase in deferred tax liabilities	5.42	4.56
Total tax expense	**47.36**	**34.24**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for the year ended March 31, 2022:

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax as per statement of profit and loss	187.01	139.25
Enacted tax rates in India	25.17%	25.17%
Computed expected income tax expense	47.07	35.05
Non deductible expenses	0.38	0.31
Income not chargeable to tax	-	(0.02)
Other adjustments	(0.09)	(1.10)
Tax expense as reported	**47.36**	**34.24**
Effective tax rate	25.32%	24.59%

35 Earnings per share

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

(Amount 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	139.65	105.01
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	30,400,000	30,400,000
Add : Effect of bonus issue (refer note 14(a)(vi))	30,400,000	30,400,000
Total	**60,800,000**	**60,800,000**
Nominal value of equity shares	2	2
(a) Basic earnings per share in ₹	22.97	17.27
(b) Diluted earnings per share in ₹	22.97	17.27

The Company does not have any potential equity shares and thus, weighted average number of equity shares for computation of basic earning per share and diluted earning per share remain same.

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

(a) Contingent liabilities

Contingent liabilities for the year ended March 31, 2022 is ₹ Nil (March 31, 2021 is ₹ Nil)

(b) Commitments

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

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment	7.98	13.13

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

The export obligation is to be fulfilled within a period of 6 years from the date of issuance of license. Under this scheme, the Company has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Company is required to export goods of FOB Value of ₹147.48 crore (March 31, 2021 ₹142.30 crore) against which the Company has saved a duty of ₹24.58 crore (March 31, 2021 ₹23.72 crore).

(3) The Company does not have any other long-term commitments or material non-cancellable contractual commitments / contracts.

37 Employee benefit obligations

(a) General description of the employee benefit plan

The Company has an obligation towards gratuity, unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Company or as per payment of Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(b) Defined benefit plans

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

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2022 by an actuary. The present value of the defined benefit obligation, and the related current service cost and the past service cost, were measured using the projected unit credit method.

(c) Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹0.73 crore (Year ended March 31, 2021 ₹0.60 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.

(d) 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: (Amount in ₹ Crore)

Particulars	Gratuity
Opening balance as at April 1, 2020	0.14
Current service cost	0.12
Interest expense	0.01
Total amount recognised in profit or loss	**0.13**
Remeasurements	
-Loss due to experience adjustments	0.40
Total amount recognised in other comprehensive income	**0.40**
Employer contributions : Benefit payments	(0.00)
Balance as at March 31, 2021	**0.67**
Balance as at March 31, 2021	**0.67**
Expense recognised in statement of profit and loss and other comprehensive income	0.25
Interest expense	0.06
Total amount recognised in profit or loss	**0.31**
Remeasurements	
-Gain due to experience adjustments	(0.12)
Total amount recognised in other comprehensive income	**(0.12)**
Employer contributions : Benefit payments	-
Balance as at March 31, 2022	**0.86**

(Amount in ₹ Crore)

Particulars	As at March 31, 2022		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.20	0.66	0.86
Total employee benefit obligations	**0.20**	**0.66**	**0.86**

(Amount in ₹ Crore)

Particulars	As at March 31, 2021		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.20	0.47	0.67
Total employee benefit obligations	**0.20**	**0.47**	**0.67**

(e) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount rate p.a.	7.53%	7.09%
Salary growth rate p.a.	8.00%	8.00%
Retirement age	60 Years	60 Years
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Attrition Rate		
18 to 30 years	3.00%	3.00%
30 to 45 years	2.00%	2.00%
Above 45 years	1.00%	1.00%

Notes :

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

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

(f) Sensitivity analysis

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

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity		
Discount rate (increase by 1%)	(0.10)	(0.07)
Salary growth rate (increase by 1%)	0.12	0.09
Attrition rate (increase by 1%)	(0.02)	(0.01)

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(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity		
Discount rate (decrease by 1%)	0.12	0.09
Salary growth rate (decrease by 1%)	(0.10)	(0.07)
Attrition rate (decrease by 1%)	0.02	0.02

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.

(g) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk: A decrease in the bond interest rate will increase the plan liability, however, this will be partially offset by an increase in the return on the plan's debt.

Investment risk: The present value of the defined benefit plan liability (denominated in Indian Rupees) is calculated using a discount risk which is determined by reference to market yields at the end of the reporting period on government bonds.

Longetivity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

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.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

(h) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 19.23 years (March 2021 : 19.77 years). The expected maturity analysis of undiscounted gratuity is as follows:

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Less than a year	0.21	0.20
Between 1 - 2 years	0.01	0.01
Between 2 - 3 years	0.02	0.01
Between 3 - 4 years	0.16	0.02
Between 4 - 5 years	0.05	0.17
Beyond 5 years	0.72	0.51
Total	**1.17**	**0.92**

38 Related party disclosures (as per Ind AS 24)

(a)	**Details of related parties :**	**Name of related parties**
(i)	Ultimate Holding Company	APL Apollo Tubes Limited
(ii)	Holding Company	Shri Lakshmi Metal Udyog Limited
(iii)	Fellow Subsidiary (with whom transactions have taken place during the year)	Apollo Metalex Private Limited
		APL Apollo Building Products Private Limited
(iv)	Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Rahul Gupta (Managing Director)
		Mr. Romi Sehgal (Whole Time Director)
		Mr. Vinay Gupta (Director) (w.e.f. October 23, 2020)
		Mrs. Megha Gupta (upto October 23, 2020)
		Mr. Nandlal Bansal (Chief Financial Officer resigned on August 6, 2021)
		Mr. Sunil Mittal (Chief Financial Officer w.e.f. August 6, 2021)
		Mrs. Surbhi Arora (Company Secretary resigned on January 24, 2022)
		Mr. Shivam Maheshwari (Company Secretary w.e.f. January 25, 2022)
		Mr. Anil Kumar Bansal (Independent Director)
		Ms. Neeru Abrol (Independent Director)
		Mr. Bharat Bhushan Sahny (Independent Director)
(v)	Relative of KMP (with whom transactions have taken place during the year)	Mrs. Saroj Rani Gupta (Grandmother of Mr. Rahul Gupta)
		Mrs. Neera Gupta (Mother of Mr. Rahul Gupta)
		Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta)
(vi)	Associates (with whom transactions have taken place during the year)	Radiance Ka Sunrise Two Private Limited
(vii)	Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	APL Infrastructure Private Limited
		Apollo Pipes Limited

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
(b) Transactions during the year								
Sale of goods (net of discounts)								
APL Apollo Tubes Limited	168.79	-	-	-	-	-	-	168.79
	(219.79)	(-)	(-)	(-)	(-)	(-)	(-)	(219.79)
Shri Lakshmi Metal Udyog Limited	-	0.93	-	-	-	-	-	0.93
	(-)	(4.12)	(-)	(-)	(-)	(-)	(-)	(4.12)
Apollo Metalex Private Limited	-	-	0.03	-	-	-	-	0.03
	(-)	(-)	(0.03)	(-)	(-)	(-)	(-)	(0.03)
APL Infrastructure Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(0.00)	(0.00)
	168.79	**0.93**	**0.03**	**-**	**-**	**-**	**-**	**169.75**
	(219.79)	**(4.12)**	**(0.03)**	**(-)**	**(-)**	**(-)**	**(0.00)**	**(223.94)**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Sale of scrap (other operating revenue)								
APL Apollo Tubes Limited	6.33	-	-	-	-	-	-	6.33
	(2.96)	(-)	(-)	(-)	(-)	(-)	(-)	(2.96)
	6.33	**-**	**-**	**-**	**-**	**-**	**-**	**6.33**
	(2.96)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(2.96)**
Sale of raw material (net of discounts)								
APL Apollo Tubes Limited	245.29	-	-	-	-	-	-	245.29
	(82.77)	(-)	(-)	(-)	(-)	(-)	(-)	(82.77)
Shri Lakshmi Metal Udyog Limited	-	502.52	-	-	-	-	-	502.52
	(-)	(51.27)	(-)	(-)	(-)	(-)	(-)	(51.27)
Apollo Metalex Private Limited	-	-	72.21	-	-	-	-	72.21
	(-)	(-)	(48.88)	(-)	(-)	(-)	(-)	(48.88)
	245.29	**502.52**	**72.21**	**-**	**-**	**-**	**-**	**820.02**
	(82.77)	**(51.27)**	**(48.88)**	**(-)**	**(-)**	**(-)**	**(-)**	**(182.92)**
Sale of property, plant and equipment								
APL Apollo Tubes Limited	0.05	-	-	-	-	-	-	0.05
	(6.69)	(-)	(-)	(-)	(-)	(-)	(-)	(6.69)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-	-	-
	(-)	(0.00)	(-)	(-)	(-)	(-)	(-)	(0.00)
APL Apollo Building Products Private Limited	-	-	1.44	-	-	-	-	1.44
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	0.08	-	-	-	-	0.08
	(-)	(-)	(0.02)	(-)	(-)	(-)	(-)	(0.02)
	0.05	**-**	**1.52**	**-**	**-**	**-**	**-**	**1.57**
	(6.69)	**(0.00)**	**(0.02)**	**(-)**	**(-)**	**(-)**	**(-)**	**(6.71)**
Sale of stores and spares								
APL Apollo Tubes Limited	0.05	-	-	-	-	-	-	0.05
	(0.29)	(-)	(-)	(-)	(-)	(-)	(-)	(0.29)
Shri Lakshmi Metal Udyog Limited	-	0.05	-	-	-	-	-	0.05
	(-)	(0.03)	(-)	(-)	(-)	(-)	(-)	(0.03)
Apollo Metalex Private Limited	-	-	0.31	-	-	-	-	0.31
	(-)	(-)	(0.13)	(-)	(-)	(-)	(-)	(0.13)
APL Apollo Building Products Private Limited	-	-	0.04	-	-	-	-	0.04
	(-)	(-)	(0.01)	(-)	(-)	(-)	(-)	(0.01)
	0.05	**0.05**	**0.35**	**-**	**-**	**-**	**-**	**0.45**
	(0.29)	**(0.03)**	**(0.14)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.46)**
Purchase of property, plant and equipment								
APL Apollo Tubes Limited	3.34	-	-	-	-	-	-	3.34
	(4.79)	(-)	(-)	(-)	(-)	(-)	(-)	(4.79)

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
APL Apollo Building Products Private Limited	-	-	1.02	-	-	-	-	1.02
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(0.05)	(-)	(-)	(-)	(-)	(0.05)
Apollo Pipes Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(0.01)	(0.01)
	3.34	**-**	**1.02**	**-**	**-**	**-**	**-**	**4.36**
	(4.79)	**(-)**	**(0.05)**	**(-)**	**(-)**	**(-)**	**(0.01)**	**(4.85)**
Purchase of stock-in-trade (net of discounts)								
APL Apollo Tubes Limited	7.35	-	-	-	-	-	-	7.35
	(2.74)	(-)	(-)	(-)	(-)	(-)	(-)	(2.74)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-		-	-
	(-)	(0.00)	(-)	(-)	(-)	(-)	(-)	(0.00)
	7.35	**-**	**-**	**-**	**-**		**-**	**7.35**
	(2.74)	**(0.00)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(2.74)**
Purchase of raw material (net of discounts)								
APL Apollo Tubes Limited	58.52	-	-	-	-	-	-	58.52
	(39.82)	(-)	(-)	(-)	(-)	(-)	(-)	(39.82)
Shri Lakshmi Metal Udyog Limited	-	1.68	-	-	-	-	-	1.68
	(-)	(8.02)	(-)	(-)	(-)	(-)	(-)	(8.02)
Apollo Metalex Private Limited	-	-	132.57	-	-	-	-	132.57
	(-)	(-)	(57.72)	(-)	(-)	(-)	(-)	(57.72)
	58.52	**1.68**	**132.57**	**-**	**-**	**-**	**-**	**192.77**
	(39.82)	**(8.02)**	**(57.72)**	**(-)**	**(-)**	**(-)**	**(-)**	**(105.56)**
Purchase of stores and spares								
APL Apollo Tubes Limited	0.21	-	-	-	-	-	-	0.21
	(0.08)	(-)	(-)	(-)	(-)	(-)	(-)	(0.08)
Shri Lakshmi Metal Udyog Limited	-	0.00	-	-	-	-	-	0.00
	(-)	(0.02)	(-)	(-)	(-)	(-)	(-)	(0.02)
APL Apollo Building Products Pvt Ltd	-	-	0.07		-	-	-	0.07
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Pipes Limited	-	-	-	-	-	-	0.02	0.02
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	0.26	-	-	-	-	0.26
	(-)	(-)	(0.10)	(-)	(-)	(-)	(-)	(0.10)
	0.21	**0.00**	**0.33**	**-**	**-**	**-**	**0.02**	**0.56**
	(0.08)	**(0.02)**	**(0.10)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.20)**
Purchases of scrap								
APL Apollo Tubes Limited	0.51	-	-	-	-	-	-	0.51
	(0.39)	(-)	(-)	(-)	(-)	(-)	(-)	(0.39)

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(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
	0.51	**-**	**-**	**-**	**-**	**-**	**-**	**0.51**
	(0.39)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.39)**
Management support service expense								
APL Apollo Tubes Limited	11.04	-	-	-	-	-	-	11.04
	(3.97)	(-)	(-)	(-)	(-)	(-)	(-)	(3.97)
Apollo Metalex Private Limited	-	-	0.03	-	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	11.04	**-**	**0.03**	**-**	**-**	**-**	**-**	**11.07**
	(3.97)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(3.97)**
Management support service income								
APL Apollo Tubes Limited	0.60	-	-	-	-	-	-	0.60
	(0.31)	(-)	(-)	(-)	(-)	(-)	(-)	(0.31)
Shri Lakshmi Metal Udyog Limited	-	0.07	-	-	-	-	-	0.07
	(-)	(0.04)	(-)	(-)	(-)	(-)	(-)	(0.04)
Apollo Metalex Private Limited	-	-	0.14	-	-	-	-	0.14
	(-)	(-)	(0.06)	(-)	(-)	(-)	(-)	(0.06)
	0.60	**0.07**	**0.14**	**-**	**-**	**-**	**-**	**0.81**
	(0.31)	**(0.04)**	**(0.06)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.41)**
Reimbursement of expenses								
APL Apollo Tubes Limited	-	-	-	-	-	-	-	-
	(16.18)	(-)	(-)	(-)	(-)	(-)	(-)	(16.18)
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(16.18)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(16.18)**
Loan taken during the year								
APL Apollo Tubes Limited	-	-	-	-	-		-	-
	(66.00)	(-)	(-)	(-)	(-)	(-)	(-)	(66.00)
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(66.00)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(66.00)**
Loan paid back during the year								
APL Apollo Tubes Limited	-	-	-	-	-		-	-
	(66.00)	(-)	(-)	(-)	(-)	(-)	(-)	(66.00)
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(66.00)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(66.00)**
Advance in the nature of loan taken during the year								
APL Apollo Tubes Limited	563.24	-	-	-	-	-	-	563.24
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	563.24	**-**	**-**	**-**	**-**	**-**	**-**	**563.24**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Advance in the nature of loan taken during the year								
APL Apollo Tubes Limited	563.24	-	-	-	-	-	-	563.24
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	563.24	**-**	**-**	**-**	**-**	**-**	**-**	**563.24**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Advance in the nature of loan given during the year (see note (iv) below)								
Shri Lakshmi Metal Udyog Limited	-	73.67	-	-	-	-	-	73.67
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	62.26	-	-	-	-	62.26
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo building products private limited	-	-	5.14	-	-	-	-	5.14
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Tubes Limited	623.72	-	-	-	-		-	623.72
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	623.72	**73.67**	**67.40**	**-**	**-**	**-**	**-**	**764.79**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Advance in the nature of loan received back during the year (see note (iv) below)								
Shri Lakshmi Metal Udyog Limited	-	73.67	-	-	-	-	-	73.67
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	62.26	-	-	-	-	62.26
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo building products private limited	-	-	5.14	-	-	-	-	5.14
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Tubes Limited	623.72	-	-	-	-		-	623.72
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	623.72	**73.67**	**67.40**	**-**	**-**	**-**	**-**	**764.79**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Loan given during the year								
APL Apollo Tubes Limited	100	-	-	-	-		-	100.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	100	**-**	**-**	**-**	**-**	**-**	**-**	**100.00**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Rent income								
APL Apollo Tubes Limited	0.24	-	-	-	-	-	-	0.24
	(0.24)	(-)	(-)	(-)	(-)	(-)	(-)	(0.24)
	0.24	**-**	**-**	**-**	**-**	**-**	**-**	**0.24**
	(0.24)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.24)**
Rent expense								

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Mrs Vandana Gupta	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.00)	(-)	(-)	(0.00)
Mrs. Neera Gupta	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.00)	(-)	(-)	(0.00)
Mrs. Saroj Rani Gupta	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.01)	(-)	(-)	(0.01)
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	**(-)**	**(-)**	**(0.01)**	**(-)**	**(-)**	**(0.01)**
Job work expenses								
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-	-	-
	(-)	(0.01)	(-)	(-)	(-)	(-)	(-)	(0.01)
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	**(0.01)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.01)**
Job work income								
APL Apollo Tubes Limited	0.23	-	-	-	-	-	-	0.23
	(0.78)	(-)	(-)	(-)	(-)	(-)	(-)	(0.78)
Shri Lakshmi Metal Udyog Limited	-	5.01	-	-	-	-	-	5.01
	(-)	(20.10)	(-)	(-)	(-)	(-)	(-)	(20.10)
	0.23	**5.01**	**-**	**-**	**-**	**-**	**-**	**5.24**
	(0.78)	**(20.10)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(20.88)**
Interest expense								
APL Apollo Tubes Limited	0.25	-	-	-	-	-	-	0.25
	(2.02)	(-)	(-)	(-)	(-)	(-)	(-)	(2.02)
	0.25	**-**	**-**	**-**	**-**	**-**	**-**	**0.25**
	(2.02)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(2.02)**
Interest income								
APL Apollo Tubes Limited	0.44	-		-	-	-	-	0.44
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	0.00	-	-	-	-	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
APL Apollo Building Products Private Limited	-	-	0.05	-	-	-	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	0.01	-	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	0.44	**0.00**	**0.06**	**-**	**-**	**-**	**-**	**0.50**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Salary								
Mr. Rahul Gupta	-	-	-	1.20	-	-	-	1.20
	(-)	(-)	(-)	(1.20)	(-)	(-)	(-)	(1.20)
Mr. Romi Sehgal	-	-	-	1.33	-	-	-	1.33
	(-)	(-)	(-)	(0.96)	(-)	(-)	(-)	(0.96)
Mr. Sunil Mittal	-	-	-	0.16	-	-	-	0.16
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

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(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Mr. Nandlal Bansal	-	-	-	0.05	-	-	-	0.05
	(-)	(-)	(-)	(0.22)	(-)	(-)	(-)	(0.22)
Mr. Shivam Maheshwari	-	-	-	0.03	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mrs. Surbhi Arora	-	-	-	0.07	-	-	-	0.07
	(-)	(-)	(-)	(0.10)	(-)	(-)	(-)	(0.10)
	-	**-**	**-**	**2.84**	**-**	**-**	**-**	**2.84**
	(-)	**(-)**	**(-)**	**(2.48)**	**(-)**	**(-)**	**(-)**	**(2.48)**
Investment in associate (refer note 3)								
Radiance Ka Sunrise Two Private Limited	-	-	-	-	-	2.90	-	2.90
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	-	**-**	**-**	**-**	**-**	**2.90**	**-**	**2.90**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Power & fuel expense								
Radiance Ka Sunrise Two Private Limited	-	-	-	-	-	0.33	-	0.33
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	-	**-**	**-**	**-**	**-**	**0.33**	**-**	**0.33**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Director sitting fees paid								
Mr. Vinay Gupta	-	-	-	0.02	-	-	-	0.02
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Anil Kumar Bansal	-	-	-	0.06	-	-	-	0.06
	(-)	(-)	(-)	(0.07)	(-)	(-)	(-)	(0.07)
Ms. Neeru Abrol	-	-	-	0.05	-	-	-	0.05
	(-)	(-)	(-)	(0.05)	(-)	(-)	(-)	(0.05)
Mr. Bharat Bhushan Sahny	-	-	-	0.02	-	-	-	0.02
	(-)	(-)	(-)	(0.05)	(-)	(-)	(-)	(0.05)
	-	**-**	**-**	**0.15**	**-**	**-**	**-**	**0.15**
	(-)	**(-)**	**(-)**	**0.17**	**(-)**	**(-)**	**(-)**	**0.17**
Balances outstanding at the end of the year								
Trade receivables								
APL Apollo Tubes Limited	0.15	-	-	-	-	-	-	0.15
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	12.21	-	-	-	-	-	12.21
	(-)	(0.54)	(-)	(-)	(-)	(-)	(-)	(0.54)
Apollo Metalex Private Limited	-	-	-	-	-	-	-	-
	(-)	(-)	(0.88)	(-)	(-)	(-)	(-)	(0.88)
	0.15	**12.21**	**-**	**-**	**-**	**-**	**-**	**12.36**
	(-)	**(0.54)**	**(0.88)**	**(-)**	**(-)**	**(-)**	**(-)**	**(1.42)**
Trade payables								

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(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
APL Apollo Building Products Private Limited	-	-	0.03	-	-	-	-	0.03
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Pipes Limited	-	-	-	-	-	-	0.10	0.10
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	-	**-**	**0.03**	**-**	**-**	**-**	**0.10**	**0.13**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Advance from customer								
APL Apollo Tubes Limited	5.63	-	-	-	-	-	-	5.63
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	5.63	**-**	**-**	**-**	**-**	**-**	**-**	**5.63**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Loan given								
APL Apollo Tubes Limited	100.00	-	-	-	-	-	-	100.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	100.00	**-**	**-**	**-**	**-**	**-**	**-**	**100.00**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Investment in associate (refer note 3)								
Radiance Ka Sunrise Two Private Limited	-	-	-	-	-	2.90	-	2.90
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	-	**-**	**-**	**-**	**-**	**2.90**	**-**	**2.90**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Interest receivables								
APL Apollo Tubes Limited	0.39	-	-	-	-	-	-	0.39
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	0.00	-	-	-	-	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	0.01	-	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	0.39	**0.00**	**0.01**	**-**	**-**	**-**	**-**	**0.40**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**
Claim receivables								
Shri Lakshmi Metal Udyog Limited	-	1.26	-	-	-	-	-	1.26
	(-)	(0.39)	(-)	(-)	(-)	(-)	(-)	(0.39)
	-	**1.26**	**-**	**-**	**-**	**-**	**-**	**1.26**
	(-)	**(0.39)**	**(-)**	**(-)**	**(-)**	**(-)**	**(-)**	**(0.39)**
Expenses payables								
APL Apollo Tubes Limited	3.40	-	-	-	-	-	-	3.40
	(1.61)	(-)	(-)	(-)	(-)	(-)	(-)	(1.61)
Apollo Metalex Private Limited	-	-	0.91	-	-	-	-	0.91
	(-)	(-)	(0.27)	(-)	(-)	(-)	(-)	(0.27)
Rahul Gupta	-	-	-	0.20	-	-	-	0.20
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Romi Sehgal	-	-	-	0.00	-	-	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sunil Mittal	-	-	-	0.01	-	-	-	0.01
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shivam Maheshwari	-	-	-	0.00	-	-	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	3.40	**-**	**0.91**	**0.21**	**-**	**-**	**-**	**4.52**
	(1.61)	**(-)**	**(0.27)**	**(-)**	**(-)**	**(-)**	**(-)**	**(1.88)**

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 corporate guarantee of APL Apollo Tubes Limited, ultimate holding Company, personal guarantee of directors of the APL Apollo Tubes Limited, ultimate holding Company, Mr. Sanjay Gupta and Mr. Rahul Gupta (Managing director of Apollo Tricoat Tubes Limited).

(iv) The treasury and finance operations of the Company, its holding company, its ultimate holding company and fellow subsidiaries (APL Group Companies) are managed centrally. Based on the funding requirement, APL group companies provide advance 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 the nature of loan given by the Company to its holding Company, its ultimate holding company and fellow subsidiaries are as under:

(Amount in ₹ Crore)

Name of company	Limits approved	Maximum amount outstanding during the year
Shri Lakshmi Metal Udyog Limited	40.00	40.00
Apollo Metalex Private Limited	50.00	13.39
APL Apollo Building Products Private Limited	10.00	5.14
APL Apollo Tubes Limited	100.00	76.26

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39 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2022 and March 31, 2021.

(Amount in ₹ Crore)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost
Financial assets - Non-current						
Security deposits	-	-	1.64	-	-	1.75
Loan to related party	-	-	100.00	-	-	-
Investments in associates	-	-	1.36	-	-	-
Financial assets - Current						
Loans to employees	-	-	-	-	-	0.05
Trade receivables	-	-	37.34	-	-	11.62
Claim receivables	-	-	1.30	-	-	0.39
Interest accrued but not yet due	-	-	0.52	-	-	-
Cash and cash equivalents	-	-	53.09	-	-	9.80
Bank balances other than cash and cash equivalents	-	-	10.70	-	-	-
Security deposit	-	-	0.01	-	-	0.01
Total financial assets	**-**	**-**	**205.96**	**-**	**-**	**23.62**
Financial liabilities-Non-current						
Borrowings	-	-	35.80	-	-	48.99
Financial liabilities-Current						
Capital creditors	-	-	2.30	-	-	1.62
Borrowings	-	-	13.19	-	-	13.04
Lease liabilities	-	-	0.03	-	-	0.06
Trade payables	-	-	126.72	-	-	33.89
Interest accrued but not due on borrowings	-	-	0.26	-	-	0.43
Security deposits payable	-	-	0.05	-	-	-
Total financial liabilities	**-**	**-**	**178.35**	**-**	**-**	**98.03**

(a) Valuation technique to determine fair value

Cash and cash equivalents, other bank balances, trade receivables, loans, other current financial assets, trade payables, current borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the lease payments are determined by using discounted cash flow method using the appropriate discount rate. The discount rate is determined using other similar instruments incorporating the risk associated.

(b) Fair value hierarchy

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

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

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

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

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

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

40 Financial risk management objectives

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

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

The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors, The Company treasury department identifies, evaluates 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.

(a) Market risk

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

(i) Foreign currency risk

The Company's functional currency is Indian Rupees. The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's the costs of imports, primarily in relation to capital assets.

The Company has limited exposure to foreign currency risk and thereby it mainly relies on natural hedge. To further mitigate the Company's exposure to foreign currency risk, non-INR cash flows are continuously monitored.

Details of unhedged foreign currency exposure :-

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

Particulars	As at March 31, 2022	As at March 31, 2021
Payables		
USD	160,750	64,500
Equivalent amount in ₹ in crore	1.22	0.47

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Sensitivity

If INR is depreciated or appreciated by 0.5% vis-a-vis foreign currency, the impact thereof on the profit (after tax) of the Company are given below:

(Amount in ₹ Crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
USD sensitivity		
INR/USD Increases by 0.50%	(0.00)	(0.00)
INR/USD Decreases by 0.50%	0.00	0.00

(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 ₹ with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and MCLR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	48.96	61.98
Fixed rate borrowings	0.03	0.05
Total borrowings	**48.99**	**62.03**

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

(Amount in ₹ Crore)

Particulars	Balance	% of total loans
As at March 31, 2022		
Bank loans	48.96	99.95%
As at March 31, 2021		
Bank loans and cash credit	61.98	99.92%

Sensitivity

Profit (after tax) is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(Amount in ₹ Crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest rates – increase by 0.50%	(0.18)	(0.23)
Interest rates – decrease by 0.50%	0.18	0.23

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial losses to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The Company evaluates the credit worthiness of the customers based on publicly available information and the Company's historical experiences. The Company's exposure to its counterparties are continuously reviewed and monitored by the Chief Operating Decision Maker (CODM).

Credit period varies as per the contractual terms with the customers. No interest is generally charged on overdue receivables.

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty. Trade receivables consist of a large number of customers of various scales and in different geographical areas. Based on historical information about customer default rates, management considers the credit quality of trade receivables. In case the receivables are not recovered even after regular follow up, measures are taken to stop further supplies to the concerned customer. The company recognises lifetime expected credit loss on trade receivables using simplified approach.

Credit risk relating to cash and cash equivalent and restricted cash is considered negligible as counterparties are banks. The management considers the credit quality of deposits with such bank to be good and reviews the banking relationships on an on-going basis.

In the year ended March 31, 2022, revenues arising from sales of products as disclosed in note 25(a) includes revenue of ₹917.63 crores from two customers who contributed more than 10% to the Company's revenue.

In the year ended March 31, 2021, revenues arising from sales of products as disclosed in note 25(a) includes revenue of ₹302.85 crores from a customer who contributed more than 10% to the Company's revenue.

(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:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Floating rate borrowings	140.00	180.00
Nature of facility	Working Capital	Working Capital

(ii) Maturities of financial liabilities :

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities: (Amount in ₹ Crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2022				
Borrowings*	13.19	35.80	-	48.99
Trade payables	126.72	-	-	126.72
Lease liabilities (undiscounted)*	0.03	-	-	0.03
Capital creditors	2.30	-	-	2.30
Interest accrued but not due on borrowings	0.26	-	-	0.26
Security deposits payable	0.05	-	-	0.05
Total non-derivative liabilities	**142.55**	**35.80**	**-**	**178.35**
As at March 31, 2021				
Borrowings*	13.04	48.99	-	62.03
Trade payables	33.89	-	-	33.89
Lease liabilities (undiscounted)*	0.06	-	-	0.06
Capital creditors	1.62	-	-	1.62
Interest accrued but not due on borrowings	0.43	-	-	0.43
Total non-derivative liabilities	**49.04**	**48.99**	**-**	**98.03**

* The amount does not include interest payments

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

41 Reconciliation of liabilities arising from financing activities

(Amount in ₹ Crore)

Particulars	As at March 31, 2021	Net Cash flows	Interest expense (Non cash)	As at March 31, 2022
Non-current borrowings	48.99	(13.19)	-	35.80
Current borrowings	13.04	0.15	-	13.19
Lease liabilities	0.06	(0.03)	0.00	0.03
Total liabilities from financing activities	**62.09**	**(13.07)**	**0.00**	**49.02**

(Amount in ₹ Crore)

Particulars	Opening Balance as at April 1, 2020	Net Cash flows	Interest expense (Non cash)	As at March 31, 2021
Non-current borrowings	98.20	(49.21)	-	48.99
Current borrowings	14.36	(1.32)	-	13.04
Lease liabilities	0.09	(0.04)	0.01	0.06
Total liabilities from financing activities	**112.65**	**(50.57)**	**0.01**	**62.09**

42 Capital management

(a) Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowing 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 market. 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 acquisition, tap 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 borrowing less cash and cash equivalents, bank balances other than cash and cash equivalents.

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current borrowings	35.80	48.99
Current borrowings	13.19	13.04
Less: Cash and cash equivalents	(63.79)	(9.80)
Net Debts	**(14.80)**	**52.23**
Total Equity	**444.00**	304.26
Gearing Ratio	**(0.03)**	**0.17**

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

43 Additional Regulatory Information

(a) Below is the title deed of Immovable Property not held in the name of the Company

(i)

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 ₹ Crore)	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.

(ii)

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 ₹ Crore)	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 (CWIP) is as below: (Amount 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	9.05	-	9.05
1-2 years	0.06	-	0.06
2-3 years	-	-	-
More than 3 years	-	-	-
Total	**9.11**	**-**	**9.11**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

(Amount 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	12.39	-	12.39
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	**12.39**	**-**	**12.39**

Note : There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

(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:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
-Principal amount due to micro and small enterprise	1.02	0.80
-Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Total	**1.02**	**0.80**

(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 :

(Amount in ₹ Crore)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(i)	Gross amount required to be spent as per section 135 of Companies Act, 2013	1.35	0.49
(ii)	Amount of expenditure in the books of accounts	1.35	0.49
(iii)	Actual expenditure	0.84	0.41
(iv)	Provision made for liability	0.51	0.08
(v)	Shortfall at the end of the year	-	-
(vi)	Total of previous years shortfall	-	-
(vii)	Reason for shortfall	Not applicable	Not applicable
(viii)	Nature of CSR activities		
	- Construction/acquisition of any asset	0.27	0.20
	- On purposes other than above	0.57	0.21
(ix)	Details of related party transactions	None	None

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the rules"), the Company has subsequent to balance sheet date has deposited amount of ₹0.51 crore (March 31, 2021 : ₹0.08 crore) 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	1.08	1.47
	Current ratio = Current assets/current liabilities		
	% change from previous year	(26.44)%	
	Reason for change more than 25%	Refer note 1 below	
(ii)	Debt-equity ratio	0.11	0.20
	Debt-equity ratio = Total debt/shareholder's equity		
	% change from previous year	(45.87)%	
	Reason for change more than 25%	Refer note 2 below	
(iii)	Debt service coverage ratio	9.09	2.36
	Debt service coverage ratio = Earnings available for debt service/debt service		
	% change from previous year	285.87%	
	Reason for change more than 25%	Refer note 2 below	
(iv)	Return on equity ratio	37.33	41.69
	Return on equity ratio= Net profit after tax/average shareholder's equity*100		
	% change from previous year	(10.46)%	
	Reason for change more than 25%		
(v)	Inventory turnover ratio	36.88	20.87
	Inventory turnover ratio= Sales/average inventory		
	% change from previous year	76.78%	
	Reason for change more than 25%	Refer note 2 below	

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Particulars		As at March 31, 2022	As at March 31, 2021
(vi)	Trade receivables turnover ratio	111.60	59.44
	Trade receivables turnover ratio= Net credit sales/ average trade receivables		
	% change from previous year	87.76%	
	Reason for change more than 25%	Refer note 2 below	
(vii)	Trade payables turnover ratio	29.81	16.29
	Trade payables turnover ratio= Net credit purchases/ average trade payables		
	% change from previous year	83.04%	
	Reason for change more than 25%	Refer note 2 below	
(viii)	Net capital turnover ratio	173.51	44.84
	Net capital turnover ratio= Net sales/working capital		
	% change from previous year	286.94%	
	Reason for change more than 25%	Refer note 2 below	
(ix)	Net profit ratio	5.11	7.13
	Net profit ratio= Profit after tax/net sales*100		
	% change from previous year	(28.31)%	
	Reason for change more than 25%	Refer note 3 below	
(x)	Return on capital employed	37.60	39.34
	Return on capital employed= Earning before interest & taxes (EBIT)/Capital employed*100		
	% change from previous year	(4.44)%	
	Reason for change more than 25%		
(xi)	Return on investment	Not applicable (refer note 3)	Not applicable (refer note 3)
	Return on investment= (Current value of investment-average investment)/average investment*100		
	% change from previous year		
	Reason for change more than 25%		

Explanation of formulas used in calculating ratios :

Total debt includes long term borrowing and short term borrowing.

Net worth includes shareholder capital and reserve and surplus.

Earnings available for debt service includes profit after tax, depreciation and interest expense.

Debt service includes interest, lease payments and principal repayments.

EBIT includes profit before tax plus finance costs.

Net sales means revenue from operations.

Net credit purchase means purchase of stock-in-trade and raw materials.

Capital employed means tangible net worth, total debt and deferred tax liability.

Note :-

1. At the year end, the Company has paid, from surplus cash, long term loan to the ultimate holding Company for Rupees 100.00 crore.
2. Revenue growth along with higher efficiency on working capital improvement has resulted improvement in the ratios.
3. Net profit turnover ratio has declined due to change in product mix.

(f) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(g) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(h) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(i) The Company has not traded or invested in crypto currency or virtual currency during the reporting years.

(j) The Company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting years.

(k) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(l) The Board of Directors of Apollo Tricoat Tubes Limited ("Company"), at its meeting on February 27, 2021, had considered and approved a draft scheme of amalgamation ('scheme') of the Company and Shri Lakshmi Metal Udyog Limited ("Shri Lakshmi") with APL Apollo Tubes Limited ("APL Apollo"), its Holding Company and their respective shareholders and creditors, as may be modified from time to time ('scheme'), under Section 230 to 232 of the Companies Act, 2013. 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.

(m) The Company do not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(n) All the quarterly statements of current assets (inventories and trade receivables) filed by the Company with banks or financial institutions are in agreement with books of accounts.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of,
Apollo TriCoat Tubes Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Apollo Tricoat Tubes Limited ('the Holding Company') and its associate, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of the associate 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Holding Company and its associate, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company and its associate 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. 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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition Revenue for the Company consists primarily of sale of steel tubes and GP coils recognized in accordance with the accounting policy described in Note 1(ii)(g) to the accompanying financial statements. Refer Note 24 for details of revenue recognized during the year. Revenue recognition involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations, determination of transaction price for the contract factoring in the consideration payable to customers (such as discounts) and selection of a method to allocate the transaction price to the performance obligations. Revenue is recognised when (or as) a performance obligation is satisfied i.e., when 'control' of the goods underlying the particular performance obligation is transferred to the customer. The Company and its external stakeholders focus on revenue as a key performance measure, which could create an incentive for revenue to be overstated or recognised before control has been transferred. Further, there were considerable auditor efforts involved in testing of revenue transactions recorded during the year due to the large volume involved. Due to the above factors, we have identified testing of revenue recognition as a key audit matter.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the appropriateness of the revenue recognition accounting policies and its compliances with applicable accounting standards. • Tested the design, implementation and operating effectiveness of key internal controls relating to revenue recognition. • Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents of the sale. • Performed testing for samples of revenue transactions recorded closer to the year-end by verifying underlying documents, to assess the accuracy of the period in which revenue was recognized. • Performed substantive analytical procedure which include variance analysis of current year revenue with previous year revenue and corroborating the variance considering both qualitative and quantitative factors. • Assessed the Company's processes and tested the appropriateness of accruals for discounts as at the year-end as per the related policies. • Circularized balance confirmations (including transactions during the year) to a sample of customers and reviewed the reconciling items, if any. Performed alternate testing and subsequent testing for the confirmations not received. • Assessed that the disclosures made by the management are in accordance with applicable Indian accounting standards.

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

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Directors' Report, but does not include the consolidated financial statements and our auditor's report thereon. The Management Discussion and Analysis, Report on Corporate Governance and Directors' Report is expected to be 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 we 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Management Discussion and Analysis, Report on Corporate Governance and Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 changes in equity and consolidated cash flows of the Holding Company including its associate in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Holding Company and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Holding Company and of its associate are responsible for assessing the ability of the Holding Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Holding Company and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act 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 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 Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' 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 Holding Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associate to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements and financial information of the entity or business activities of the Holding Company and its associate respectively, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The consolidated financial statements also include the Holding Company share of net profit (including other comprehensive income) of ₹ Nil for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us. This financial information is 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 the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Holding Company.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and, referred to in paragraph 15, on separate financial information of the associate, we report that the Holding Company, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of company included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the Order reports of such company.
18. As required by section 143(3) of the Act, based on our audit, 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 purpose 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;
    c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
    e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, covered under the Act, none of the directors of the Holding Company, are disqualified as on 31 March 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 with reference to financial statements of the Holding Company, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2' wherein we have expressed a unmodified opinion; and
    g) 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. There were no pending litigations as at 31 March 2022 which would impact the consolidated financial position of the Holding Company and its associate;
        ii. The Holding Company and its associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate company covered under the Act, during the year ended 31 March 2022;
        iv. a. The respective managements of the Holding Company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief , as disclosed in note 43(j) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its associate company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or

its associate company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its associate company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 43(j) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its associate company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or its associate company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its associate company have not declared or paid any dividend during the year ended 31 March 2022

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 22502103AINJTB6943

Place: Noida
Date: 06 May 2022

ANNEXURE 1

Independent Auditor's Report of even date to the members of Apollo Tricoat Tubes Limited on the consolidated financial statements for the year ended 31 March 2022

List of entities included in the Statement

Holding Company

1. Apollo Tricoat Tubes Limited

Associate

1. Radiance KA Sunrise Two Private Limited

ANNEXURE 2

Independent Auditor's report on the internal financial controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Apollo Tricoat Tubes Limited ('the Holding Company') and, its associate as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, which is the Company covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. The audit of internal financial controls with reference to financial statements of the aforementioned associate, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Holding Company, which is a company covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 22502103AINJTB6943

Place: Noida
Date: 06 May 2022

CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Notes	As at March 31, 2022
I. ASSETS		
Non-current assets		
(a) Property, plant and equipment	2(a)	372.22
(b) Capital work-in-progress	2(b)	9.11
(c) Right of use assets	2(c)	13.31
(d) Intangible assets	2(d)	0.05
(e) Financial assets		
(i) Investments	3	1.36
(ii) Loans	4	100.00
(iii) Other financial assets	5	1.64
(f) Other non-current assets	6	5.49
Total non-current assets		**503.18**
Current assets		
(a) Inventories	7	83.76
(b) Financial assets		
(i) Trade receivables	8	37.34
(ii) Cash and cash equivalents	9	53.09
(iii) Bank balance other than (ii) above	10	10.70
(iv) Other financial assets	11	1.83
(c) Other current assets	12	17.38
Total current assets		**204.10**
Total assets		**707.28**
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	13(a)	12.16
(b) Other equity	13(b)	431.84
Total equity		**444.00**
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	14	35.80
(b) Provisions	15	1.19
(c) Deferred tax liabilities (net)	16	17.57
(d) Other non-current liabilities	17	20.36
Total non-current liabilities		**74.92**
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	18	13.19
(ia) Lease liabilities	2(c)	0.03
(ii) Trade payables	19	
- total outstanding dues of micro enterprises and small enterprises		1.02
- total outstanding dues of creditors other than micro enterprises and small enterprises		125.70
(iii) Other financial liabilities	20	2.61
(b) Other current liabilities	21	6.53
(c) Provisions	22	0.36
(d) Current tax liabilities (net)	23	38.92
Total current liabilities		**188.36**
Total equity and liabilities		**707.28**
See accompanying notes to the consolidated financial statements	1-42	

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Notes	Year ended March 31, 2022
I. Revenue from operations		
(a) Sale of products		2,652.97
(b) Other operating income		79.14
Total revenue from operations	24	**2,732.11**
II. Other income	25	2.40
III. Total revenue (I+II)		**2,734.51**
IV. Expenses		
(a) Cost of materials consumed	26	2,274.88
(b) Purchase of stock-in-trade		83.09
(c) Changes in inventories of finished goods and rejection & scrap	27	16.64
(d) Employee benefits expense	28	22.78
(e) Finance costs	29	4.96
(f) Depreciation and amortisation expense	30	19.08
(g) Other expenses	31	126.07
Total expenses		**2,547.50**
V. Profit before tax (III-IV)		**187.01**
VI. Tax expense:		
(a) Current tax		41.94
(b) Deferred tax charge (net)	16	5.42
(c) Adjustment of tax relating to earlier year	33	-
Total tax expense	33	47.36
VII. Profit for the year (V-VI)		**139.65**
VIII. Other comprehensive income for the year		
Add/(less) : items that will not be reclassified to profit or loss		
(a) Remeasurement of post employment benefit obligation		0.12
(b) Income tax relating to above item		(0.03)
Other comprehensive income for the year		0.09
IX. Total comprehensive income for the year (VII+VIII)		**139.74**
X. Earnings per equity share of face value of ₹2 each:		
(a) Basic (in ₹)	34	22.97
(b) Diluted (in ₹)	34	22.97
See accompanying notes to the Consolidated financial statements	1-42	

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A. Equity share capital

(Amount in ₹ Crore)

Particulars	Amount
Balance as at April 1, 2021	**6.08**
Changes during the year ended March 31, 2022	6.08
Balance as at March 31, 2022	**12.16**

B. Other equity

(Amount in ₹ Crore)

Particulars	Reserves and surplus			Total
	Securities premium	Capital reserve	Retained Earnings	
Balance as at April 1, 2021	**140.42**	**0.30**	**157.46**	**298.18**
Profit for the year ended March 31, 2022	-	-	139.65	139.65
Other comprehensive income for the year (net of tax)	-	-	0.09	0.09
Issue of bonus shares (refer note 13(a)(vi))	(6.08)	-	-	(6.08)
Balance as at March 31, 2022	**134.34**	**0.30**	**297.20**	**431.84**
The accompanying notes form an integral part of these consolidated financial statements.	1-43			

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Year ended March 31, 2022
A. Cash flow from operating activities	
Profit before tax	187.01
Adjustments for :	
Depreciation and amortisation expense	19.08
Profit on sale of property, plant and equipment (net)	(0.01)
Finance costs	4.96
Interest income	(0.97)
Net unrealised exchange gain	(0.03)
Amount written back	(0.01)
Bad debts written off	-
Provision for slow moving inventory of stores and spares	0.23
Unwinding of deferred income	(1.18)
Operating profit before working capital changes	**209.08**
Changes in working capital :	
Adjustments for (increase)/decrease in operating assets:	
Inventories	(19.60)
Trade receivables	(25.73)
Current loans and other financial assets	(0.87)
Other non-current financial assets	0.11
Other current assets	(1.36)
Other non-current assets	0.04
Adjustments for increase/(decrease) in operating liabilities:	
Trade payables	92.83
Other current liabilities	(11.96)
Provisions	0.53
Other current financial liabilities	0.06
Cash generated from operations	**243.13**
Income tax paid	(4.72)
Net cash flow from operating activities (A)	**238.41**
B. Cash flow from investing activities	
Purchase of property, plant and equipment and intangible assets*	(67.94)
Investment in bank deposits	(10.62)
Loan to related party	(100.00)
Payment to escrow account	(0.08)
Proceeds from sale of property, plant and equipment	4.18
Interest received	0.45
Investment in associate	(2.90)
Net cash used in investing activities (B)	**(176.91)**

CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ crores)

Particulars	Year ended March 31, 2022
C. Cash flow from financing activities	
Repayment of long-term borrowings	(13.04)
Proceeds from long-term borrowings	-
Repayment of short-term borrowings (net)	-
Payment of lease liabilities	(0.03)
Finance costs paid	(5.14)
Net cash used in financing activities (C)	**(18.21)**
Net increase in cash and cash equivalents (A+B+C)	**43.29**
Cash and cash equivalents at the beginning of the year	9.80
Cash and cash equivalents at the end of the year	**53.09**
Cash and cash equivalents comprises :	
Cash on hand	0.03
Balances with banks - in current accounts	4.05
Balances with banks - in fixed deposits with maturity of less than 3 months	49.01
Total cash and cash equivalents	**53.09**

*Including adjustments on account of capital work in progress, capital advances and capital creditors

Refer note 40 for reconciliation of liabilities arising from financing activities.

The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7, "Statement of Cash Flows".

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

1(i) Company background

Apollo Tricoat Tubes Limited ("the Company" or "the Holding Company") incorporated on January 12, 1983 is engaged in the business of production of ERW steel tubes and GP Coils. The Company has two manufacturing unit one at Bengaluru, Karnataka and second at Ghaziabad, Uttar Pradesh. The Company is a public company listed on Bombay Stock Exchange (BSE).The registered office of the Company is in New Delhi. The Company has one associate in India (the Company and its associate constitute "the Group").

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 6, 2022.

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

(b) Basis of preparation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the 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.

The Company has acquired the significant influence in associate company from September 13, 2021. Hence this is being the first year of consolidation of the Group, there is no comparative presented.

(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.

An associate is an entity over which the Group has significant influence. Interests in associate are accounted for using the equity method, after initially being recognised at cost in the consolidated financial statements.

The consolidated financial statements relate to Apollo Tricoat Tubes Limited and its associate company (hereinafter collectively referred as "the Group"). The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the associate company used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

b. Following Indian associate has been considered in the preparation of consolidated financial statements: (refer note 3 also)

- Radiance Ka Sunrise Two Private Limited (an associate company) (the Group has 26% shareholding in the associate).

(d) 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 financial statements.

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.

Income Taxes

Deferred tax assets and liabilities 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 Statement of Profit and 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 and Loss.

Fair value measurement of 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.

(e) 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.

(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 satisfied that the performance obligation and 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 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.

(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) Services rendered

Revenue from service related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

(h) Income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(i) 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 profit or loss on a systematic basis over the expected useful life of the related assets.

(j) Leases

As a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and vehicles. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group 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 Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

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

(k) 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. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(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 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.

(m) Inventories

Raw materials and 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. Inventory of stores & spares are valued at moving weighted average cost.

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

Inventory of Slow moving stores & spares are provided at the rate of 10% on Straight line basis.

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. 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 and Loss during the reporting period in which they are incurred.

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

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of 3 years.

The Group has a policy of capitalizing insurance spares having value more than or equal to ₹1 lakh.

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

Depreciable amount for assets is the cost of an asset less its estimated 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 years

(b) Roads- 10 years

(c) Plant and machinery used in manufacturing of pipe 10-20 years

(d) Other plant and machinery- 2 to 10 years

(e) Vehicles- 8 years

(f) Furniture and fixtures- 10 years

(g) Office equipment- 2-5 years

(h) Computer - 3 years

(i) Server - 6 years

(o) Intangible assets

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

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) Earnings per share

Basic earnings per share is computed by dividing the 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 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.

(q) 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.

(r) 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 consolidated financial statements.

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

(s) 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, 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.

(t) 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.

(u) 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.

(v) 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 and 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 and 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 and 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 FVTOCI 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 and 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 and 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 FVTOCI are not reported separately from other changes in fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

(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 FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 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 and 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 and 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 and loss as other income or finance costs.

(w) 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.

(x) Segment information

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. Therefore, there is no reportable segment for the Group as per the requirement of Ind AS 108 - Operating Segments.

(y) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirements of schedule III of the Act unless otherwise stated.

(z) Recent accounting pronouncements

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 Group 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 Group has evaluated the amendment and the impact is not expected to be material.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

2(a) : Property, plant and equipment

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Carrying amounts of :	
Freehold land	14.29
Building	63.20
Furniture and fixtures	1.55
Plant and machinery	290.31
Office equipments	1.22
Vehicles	1.65
Total	**372.22**

(Amount in ₹ Crore)

	Freehold land	Building	Furniture and fixtures	Plant and machinery	Office equip-ments	Vehicles	Total
Gross carrying amount							
Balance as at April 1, 2021	**14.29**	**59.38**	**1.12**	**271.57**	**1.43**	**1.88**	**349.67**
Additions during the year	-	9.41	0.77	58.53	0.71	0.15	69.57
Deletions during the year	-	-	-	(1.68)	-	-	(1.68)
Balance as at March 31, 2022	**14.29**	**68.79**	**1.89**	**328.42**	**2.14**	**2.03**	**417.56**
Accumulated depreciation							
Balance as at April 1, 2021	**-**	**3.39**	**0.19**	**22.49**	**0.52**	**0.15**	**26.74**
Reversal on deletions during the year	-	-	-	(0.16)	-	-	(0.16)
Depreciation expense during the year	-	2.20	0.15	15.78	0.40	0.23	18.76
Balance as at March 31, 2022	**-**	**5.59**	**0.34**	**38.11**	**0.92**	**0.38**	**45.34**
Net carrying amount							
Balance as at March 31, 2022	**14.29**	**63.20**	**1.55**	**290.31**	**1.22**	**1.65**	**372.22**

Note :

(1) Property, plant and equipment as detailed above have been pledged as security for term loans taken as at March 31, 2022. Refer note 14 and 18 for loans taken against which these property, plant and equipment are pledged.

2(b) Capital work-in-progress

(Amount in ₹ Crore)

	Building	Plant and machinery	Total
Balance as at April 1, 2021	**3.15**	**9.24**	**12.39**
Additions during the year	6.56	56.14	62.70
Deletions during the year	-	(2.50)	(2.50)
Transfer to property, plant and equipment	(8.93)	(54.55)	(63.48)
Balance as at March 31, 2022	**0.78**	**8.33**	**9.11**

2(c) Right of use assets

(Amount in ₹ Crore)

Particulars	Category of ROU Asset			Total
	Land	Building	Vehicle	
Gross carrying amount				
Balance as at April 1, 2021	13.66	0.04	0.11	13.81
Additions during the year	-	-	-	-
Balance as at March 31, 2022	**13.66**	**0.04**	**0.11**	**13.81**
Accumulated depreciation				
Balance as at April 1, 2021	**(0.28)**	**(0.04)**	**(0.02)**	**(0.34)**
Amortisation expense during the year	(0.15)	(0.00)	(0.01)	(0.16)
Balance as at March 31, 2022	**(0.43)**	**(0.04)**	**(0.03)**	**(0.50)**
Net carrying amount				
Balance as at March 31, 2022	**13.23**	**0.00**	**0.08**	**13.31**

The aggregate amorisation expense on right of use assets is included under depreciation and amortisation expense in the Statement of profit and loss.

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

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Current lease liability	0.03
Non-current lease liability	-
Total	**0.03**

The following is the movement in lease liabilities during the year ended March 31, 2022 :

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Balance at the beginning	**0.06**
Finance cost incurred during the year	0.00
Payment of lease liabilities	(0.03)
Balance at the end	**0.03**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 :

(Amount in ₹ Crore)

Particulars	As at March 31, 2022		
	Lease payments	Finance charges	Net present value
Less than one year	0.03	0.00	0.03
One to five years	-	-	-
More than five years	-	-	-
Total	**0.03**	**0.00**	**0.03**

Total cash outflow pertaining to leases during the year ended March 31, 2022 is ₹0.03 crore.

The Group 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 ₹ Nil for the year ended March 31, 2022.

Rental income on assets given on operating lease is ₹0.24 crore for the year ended March 31, 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

2(d) Intangible assets

(Amount in ₹ Crore)

Particulars	Computer Software
Gross carrying amount	
Balance as at April 1, 2021	**0.51**
Additions during the year	-
Balance as at March 31, 2022	**0.51**
Accumulated amortisation	
Balance as at April 1, 2021	**0.30**
Amortisation during the year	0.16
Balance as at March 31, 2022	**0.46**
Net carrying amount	
Balance as at March 31, 2022	**0.05**

3 Investments

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Investments in associates (unquoted, fully paid) (carried at amortised cost) : 29,00,000 equity shares of ₹10 each fully paid up in Radiance Ka Sunrise Two Private Limited (refer note below)	1.36
Total	**1.36**

Note :

The Group has entered into a Power Purchase Agreement ('PPA') with Radiance Ka Sunrise Two Private Limited ('Radiance') to procure 100% of the output of solar energy produced by "Radiance" for the next 25 years. Also pursuant to Share Subscription and Shareholder's agreement, the Group has during the year ended March 31, 2022 acquired 26% stake in 'Radiance' divided into 29,00,000 equity shares of ₹10 each for a total consideration of ₹2.90 crore for meeting the regulatory requirement of PPA. As per the agreements entered, in the event of termination of the contracts or completion of the contract term, the Group will receive the investment made by it without any share of profit/loss in associate. Accordingly, the investment amount has been amortised to ₹1.36 crores to give the effect of fixed return expected out of the investment and remaining amount of ₹1.54 crores has been classified as prepaid expenses (refer note 6(b)). As the Group has significant influence, the investment has been accounted as an investment in associate as per Ind AS 28 "Investments in associates and joint ventures". However, the equity pick up will not be considered in consolidated financial statements. As the Group does not have any share of profit in Radiance and hence there is no impact on consolidated profit of the Group.

Follow table shows the summarised financial information:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Non current assets	40.01
Current Assets	3.24
Current liabilities	(13.57)
Non Current liabilities	(19.86)
Equity	9.81
Group Ownership	26.00 %
Equity proportion of group ownership (restricted to investment amount as per above note)	2.55
Carrying value of the investment	2.90

4 Loans (Non-current)

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Loan to related party (refer note below & note 37)	100.00
Total	**100.00**

Note :

During the current year, the Group has given a loan amounting to ₹100.00 crore carrying interest 5.5% p.a. to the ultimate holding Company i.e. APL Apollo Tubes Limited, for meeting the short and long term funding requirements. The loan is repayable upto 15 months in one or more tranches as and when funds are available with APL Apollo Tubes Limited. Closing balance as at March 31, 2022 is ₹100.00 crore.

5 Other financial assets

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Security deposits	1.64
Total	**1.64**

6 Other non-current assets

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Capital advances	3.87
(b) Prepaid expenses (refer note 3)	1.62
Total	**5.49**

7 Inventories

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Raw material (including stock-in-transit)	62.85
(b) Finished goods (including stock-in-transit)	11.16
(c) Stores and spares (including stock-in-transit) (refer note (iii) below)	6.15
(d) Rejection and scrap (including stock-in-transit)	3.60
Total	**83.76**

Notes :

(i) Cost of inventory (including consumption of stores and spares) recognised as expense during the year amounted to ₹2,399.40 crore.

(ii) **Details of stock-in-transit** (Amount in ₹ Crore)

Particulars	As at March 31, 2022
Raw material	0.79
Finished goods	5.06
Rejection and scrap	0.39
Stores and spares	0.04

(iii) The Group has created a provision for slow moving inventory of stores & spares of ₹0.23 crores

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(iv) The mode of valuation of inventories has been stated in note 1(ii)(m) of significant accounting policies.

(v) Inventories have been pledged as security towards Group's borrowings from banks.

8 Trade receivables

(Unsecured, considered good unless otherwise stated) (Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Considered good	
(i) Related parties (refer note 37)	12.36
(ii) Other than related parties	24.98
Total	**37.34**

Note : To the extent of trade receivables, the Group is not exposed to any significant credit risk exposure.

(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.

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

(Amount in ₹ Crore)

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than Six months	6 months-1 year	1-2 years	Total	Allowance for credit losses (refer note 39(b))	Net credit risk
(a) Undisputed trade receivables - considered good	37.24	0.04	0.06	37.34	-	37.34
(b) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(c) Undisputed trade receivables - credit impaired	-	-	-	-	-	-
(d) Disputed trade receivables - considered good	-	-	-	-	-	-
(e) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(f) Disputed trade receivables - credit impaired	-	-	-	-	-	-
	37.24	**0.04**	**0.06**	**37.34**	**-**	**37.34**

(iii) 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 Group.

9 Cash and cash equivalents

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Cash on hand	0.03
(b) Balances with banks - in current accounts	4.05
(c) Balances with banks - in fixed deposits with maturity of less than 3 months	49.01
Total	**53.09**

10 Bank balances other than cash and cash equivalents

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) In earmarked accounts	
(i) In fixed deposit with maturity more than 3 months and less than 12 months at inception*	10.62
(ii) Balance with escrow account	0.08
Total	**10.70**

*Bank balances held as margin money deposits against guarantees

11 Other financial assets (Current)

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Claim receivables	1.30
(b) Security deposit	0.01
(c) Interest accrued but not yet due	0.52
Total	**1.83**

12 Other current assets

(Unsecured, considered good unless otherwise stated)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Advance to suppliers	17.12
(b) Advances to employees	0.17
(c) Sales tax appeal	
Considered doubtful	0.13
Less : provision created for sales tax appeal	(0.13)
(d) Prepaid expenses	0.09
Total	**17.38**

13 Equity

(Amount in ₹ Crore, except otherwise stated)

Particulars	As at March 31, 2022	
	Number of Shares	Amount
(a) Equity share capital		
Authorised capital		
Equity shares of ₹2 each with voting rights	75,000,000	15.00
	75,000,000	**15.00**

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Particulars	As at March 31, 2022	
	Number of Shares	Amount
Issued capital		
Equity shares of ₹2 each with voting rights (refer note (vi) below)	60,800,000	12.16
	60,800,000	**12.16**
Subscribed and fully paid up capital		
Equity shares of ₹2 each with voting rights (refer note (vi) below)	60,800,000	12.16
	60,800,000	**12.16**

(i) Reconciliation of the number of shares and amount outstanding as at March 31, 2022:

(Amount in ₹ Crore, except otherwise stated)

Particulars	As at March 31, 2022	
	Number of Shares	Amount
Equity shares with voting rights		
Outstanding at the beginning of the year	**30,400,000**	**6.08**
Add: Issued during the year (refer note (vi) below)	30,400,000	6.08
Outstanding at the end of the year	**60,800,000**	**12.16**

(ii) Rights, Preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹2 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of shareholder	As at March 31, 2022	
	Number of Shares held	% holding
Equity shares with voting rights		
Shri Lakshmi Metal Udyog Limited (Holding Company)	33,940,000	55.82

*As per records of the Company including its register of Members

(iv) Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2022	
	Number of Shares held	% holding
Shri Lakshmi Metal Udyog Limited (Holding Company)	33,940,000	55.82

(v) There is no change in promoter shareholding during the current year. Further, this is being the first year of consolidation of the Group, there is no comparative presented.

(vi) The Board of Directors of Apollo Tricoat 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 share of ₹2 each held by shareholders of the Company as on the record date.

Pursuant to the approval of the shareholders through postal ballot (including e-voting), the Company has allotted 3,04,00,000 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 ₹6.08 crores from other equity.

(b) Other equity

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Securities premium	134.34
Capital reserve	0.30
Retained earnings	297.20
Total	**431.84**
(i) Securities premium	
Balance at the beginning of the year	140.42
Less: Utilised during the year on issue of bonus shares (see note 13(a)(vi) above)	(6.08)
Balance at the end of the year	**134.34**
(ii) Capital reserve	
Balance at the beginning of the year	0.30
Balance at the end of the year	**0.30**
(iii) Retained earnings	
Balance at the beginning of the year	157.46
Add: Total comprehensive income for the year	139.74
Balance at the end of the year	**297.20**
Total	**431.84**

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) **Retained earnings:** It represents unallocated/undistributed profits of the Group. The same is available for distribution.

(iii) **Capital reserve:** Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently.

(iv) **Items of other comprehensive income:** It represents profits/(loss) of the Group which will not be reclassified to statement of profit and loss.

14 Borrowings (Non-current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Term Loan :	
- From banks	
(i) Secured (refer note (i) below)	35.80
Total	**35.80**

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(Amount in ₹ Crore)

Particulars	As at March 31, 2022	
	Non current borrowings	Current borrowings
(i) Term loan from banks are secured as follows:		
In case of Apollo Tricoat Tubes Limited **Term loan -1** Term loan facilities are secured by first charge through equitable mortgage of the Company land and building situated at Dujana, Dadri, Gautam Buddha 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 Buddha 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 June 2022 and ending in December 2025. Applicable Rate of Interest is 5.59% p.a. (linked with 3 month T Bill).	27.50	10.00
Term loan -2 Term loan facilities are secured by first charge through equitable mortgage of the Company land and building situated at Dujana, Dadri, Gautam Buddha 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 Buddha 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 May 2022 and ending in May 2025. Applicable rate of interest is 5.58% p.a. (linked with 3 month T Bill).	8.29	3.17
Vehicle loan from bank are secured as follows:		
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. as at March 31, 2022.	0.01	0.02
Total	**35.80**	**13.19**

15 Provisions (Non-current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Provision for compensated absences	0.53
(b) Provision for gratuity (refer note 36)	0.66
Total	**1.19**

16 Deferred tax liabilities (net)

(a) Component of deferred tax assets and liabilities are :- (Amount in ₹ Crore)

Particulars	As at March 31, 2022
(i) Deferred tax liabilities on account of	
- Property, plant and equipment and intangible assets	17.99
Total deferred tax liabilities (A)	**17.99**
(ii) Deferred tax assets on account of	
- Provision for sales tax	0.03
- Provision for employee benefit expenses	0.39
Total deferred tax assets (B)	**0.42**
Deferred tax liabilities (net) (A-B)	**17.57**

(b) (Amount in ₹ Crore)

Particulars	As at April 1, 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2022
Movement in deferred tax liabilities (A)				
Property, plant and equipment and intangible assets	12.44	5.55	-	17.99
Total	**12.44**	**5.55**	**-**	**17.99**
Deferred tax assets (B)				
Provision for sales tax	0.03	-	-	0.03
Provision for employee benefits expense	0.29	0.13	(0.03)	0.39
Total	**0.32**	**0.13**	**(0.03)**	**0.42**
Deferred tax liabilities (net) (A-B)	**12.12**	**5.42**	**0.03**	**17.57**

Note :

Refer note 33 for effective tax reconciliation

17 Other non-current liabilities

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Deferred income (refer note below)	20.36
Total	**20.36**

Note :

Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. The income will be recognised in Profit or loss on a straight line basis over the useful life of the related assets. (refer note 35(b)(2)).

18 Borrowings (Current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) From banks (secured)	
(i) Current maturities of non current borrowings (refer note 14)	13.19
Total	**13.19**

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19 Trade payables

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	1.02
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	125.70
Total	**126.72**

Outstanding for following periods from due date of transaction:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022				
	Unbilled	Less than 1 year	1-2 years	2-3 years	Total
MSME	-	1.02	-	-	1.02
Others	15.50	110.11	0.08	0.01	125.70
Disputed dues-MSME	-	-	-	-	-
Disputed dues-others	-	-	-	-	-
	15.50	**111.13**	**0.08**	**0.01**	**126.72**

20 Other financial liabilities (Current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Capital creditors	2.30
(b) Security deposits payable	0.05
(c) Interest accrued but not due on borrowings	0.26
Total	**2.61**

21 Other current liabilities

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Statutory dues payable	3.04
(b) Advance from customers	2.29
(c) Advance from employees	-
(d) Deferred income (refer note 17)	1.20
Total	**6.53**

22 Provisions (Current)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Provision for compensated absences	0.16
(b) Provision for gratuity (refer note 36)	0.20
Total	**0.36**

23 Current tax liabilities (net)

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(a) Provision for tax (net of prepaid taxes ₹33.35 crore) (refer note below)	38.92
Total	**38.92**

Note :

The Board of Directors of Apollo Tricoat Tubes Limited ("Company"), at its meeting on February 27, 2021, had considered and approved a draft scheme of amalgamation ('scheme') of the Company and Shri Lakshmi Metal Udyog Limited ("Shri Lakshmi") with APL Apollo Tubes Limited ("APL Apollo"), its Holding Company and their respective shareholders and creditors, as may be modified from time to time ('scheme'), under Section 230 to 232 of the Companies Act, 2013. 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.

As the merger order is effective from April 1, 2021, income tax return for financial year 2021-22 will be filed by APL Apollo Tubes Limited after giving effect of Merger of above three companies. There is no requirement to file separate income tax return for Apollo Tricoat Tubes Limited and hence, APL Apollo Tubes Limited has been discharging obligation towards advance tax of all three above mentioned companies.

24 Revenue from operations

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(a) Sale of products (refer note (i) below)	2,652.97
(b) Other operating income (refer note (iii) below)	79.14
Total	**2,732.11**

Disclosure on revenue pursuant to Ind AS 115- Revenue from contract with customers :

(i) Reconciliation of revenue recognised with contract price :

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Contract price	2,701.14
Adjustments for:	
Discount & incentives	(48.17)
Revenue from operations	**2,652.97**

(ii) Change in the contract liabilities balances during the year are as follows :

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Balance at the beginning of the year	7.30
Addition during the year	2.29
Revenue recognised during the year	(7.30)
Balance at the closing of the year	**2.29**

(iii) Other operating income comprises

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Sale of scrap	73.89
Job work	5.25
Total	**79.14**

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25 Other income

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(a) Interest income (at amortised cost)	0.97
(b) Profit on sale of property, plant and equipment (net)	0.01
(c) Miscellaneous income (refer note below)	1.42
Total	**2.40**

Note :

Miscellaneous income includes unwinding of deferred income of ₹1.17 crores.

26 Cost of materials consumed

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Inventories of raw materials as at the beginning of the year	26.79
Add: Purchases during the year	2,310.94
Less: Inventories of raw materials as at the end of the year	62.85
Total	**2,274.88**

27 Changes in inventories of finished goods and rejection & scrap

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Inventories at the end of the year:	
(a) Finished goods	11.16
(b) Rejection & scrap	3.60
	14.76
Inventories at the beginning of the year:	
(a) Finished goods	30.65
(b) Rejection & scrap	0.75
	31.40
Total	**16.64**

28 Employee benefits expense

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(a) Salaries and wages	21.73
(b) Contribution to provident and other funds	0.81
(c) Staff welfare expenses	0.24
Total	**22.78**

During the year, the Group recognised an amount of ₹2.84 crore as remuneration to key managerial personnel. The details of such remuneration is as below:

(Amount in ₹ Crore)

(i) Short term employee benefits	2.45
(ii) Post employment benefits	0.20
(iii) Other long term employee benefits	0.19
Total	**2.84**

29 Finance costs

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(a) Interest expense :	
(i) on working capital facilities	0.71
(ii) on term loan	3.73
(iii) on account of Ind AS 116 "Leases" (refer note 2(c))	0.00
(b) Other borrowing cost	0.52
Total	**4.96**

30 Depreciation and amortisation expense

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(a) Depreciation on property, plant and equipment (refer note 2(a))	18.76
(b) Amortisation of intangible assets (refer note 2(d))	0.16
(c) Amortisation on right of use assets (refer note 2(c))	0.16
Total	**19.08**

31 Other expenses

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(a) Consumption of stores and spare parts	24.79
(b) Power and fuel	40.50
(c) Legal and professional charges (refer note (i) below)	1.22
(d) Repair and maintenance:	
(i) Building	0.05
(ii) Plant and machinery	2.07
(iii) Others	0.76
(e) Insurance	0.19
(f) Rates and taxes	0.24
(g) Freight outward	35.83
(h) Advertising and sales promotion	0.07
(i) Job work charges	0.05
(j) Corporate social responsibilities (refer note 42(d))	1.35
(k) Loss on foreign currency transactions (net)	0.13
(l) Travelling and conveyance	0.64
(m) Security services	0.58
(n) Director sitting fee	0.15
(o) Provision for slow moving inventory of stores and spares	0.23
(p) Management support services (refer note 32(a))	11.07
(q) Miscellaneous expenses	6.15
Total	**126.07**

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Note :-

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

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
To statutory auditors	
For audit	0.25
For other services	0.01
Reimbursement of expenses	0.00
Total	**0.26**

32 Allocation of common expenses

(a) During the year, the Group has paid the charges for common expenses incurred by the ultimate holding Company on behalf of the Group. The allocation of common expenses has been carried out on the basis of turnover of respective companies, as per latest audited financial statements.

(b) During the year, the Group has charged back the common expenses incurred by it on behalf of group companies on cost i.e. cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of respective companies, as per latest audited financial statements.

33 Income tax expense

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Current tax	
Current tax on profits for the year	41.94
Total current tax expense	**41.94**
Deferred tax	
Increase in deferred tax liabilities	5.42
Total tax expense	**47.36**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for the year ended March 31, 2022:

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Profit before tax as per statement of profit and loss	187.01
Enacted tax rates in India	25.17%
Computed expected income tax expense	47.07
Non deductible expenses	0.38
Other adjustments	(0.09)
Tax expense as reported	**47.36**
Effective tax rate	25.32%

34 Earnings per share

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

(Amount in ₹ Crore unless otherwise stated)

Particulars	Year ended March 31, 2022
Profit for the year attributable to the owners of the Group used in calculating basic and diluted earnings per share	139.65
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	30,400,000
Add : Effect of bonus issue (refer note 13(a)(vi))	30,400,000
Total	**60,800,000**
Nominal value of equity shares	2
(a) Basic earnings per share in ₹	22.97
(b) Diluted earnings per share in ₹	22.97

The Group does not have any potential equity shares and thus, weighted average number of equity shares for computation of basic earning per share and diluted earning per share remain same.

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

(a) Contingent liabilities

Contingent liabilities for the year ended March 31, 2022 is ₹ Nil

(b) Commitments

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

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Property, plant and equipment	7.98

(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 goods of FOB Value of ₹147.48 crore against which the Group has saved a duty of ₹24.58 crore.

(3) The Group does not have any other long-term commitments or material non-cancellable contractual commitments/contracts.

36 Employee benefit obligations

(a) General description of the employee benefit plan

The Group has an obligation towards gratuity, unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the Group or as per payment of Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service.

(b) Defined benefit plans

The Group has an unfunded defined benefit gratuity plan. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount

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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. Vesting occurs upon completion of 5 years of service.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2022 by an actuary. The present value of the defined benefit obligation, and the related current service cost and the past service cost, were measured using the projected unit credit method.

(c) Defined contribution plans

The Group makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹0.73 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.

(d) 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:

(Amount in ₹ Crore)

Particulars	Gratuity
Balance as at April 1, 2021	**0.67**
Expense recognised in statement of profit and loss and other comprehensive income	0.25
Interest expense	0.06
Total amount recognised in statement of profit and loss	**0.31**
Remeasurements	
-Gain due to experience adjustments	(0.12)
Total amount recognised in other comprehensive income	**(0.12)**
Employer contributions : Benefit payments	-
Balance as at March 31, 2022	**0.86**

(Amount in ₹ Crore)

Particulars	As at March 31, 2022		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.20	0.66	0.86
Total employee benefit obligations	**0.20**	**0.66**	**0.86**

(e) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2022
Discount rate p.a.	7.53%
Salary growth rate p.a.	8.00%
Retirement age	60 Years
Mortality	Indian Assured Lives Mortality (2012-14)
Attrition Rate	
18 to 30 years	3.00%
30 to 45 years	2.00%
Above 45 years	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.

(f) Sensitivity analysis

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

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Gratuity	
Discount rate (increase by 1%)	(0.10)
Salary growth rate (increase by 1%)	0.12
Attrition rate (increase by 1%)	(0.02)

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Gratuity	
Discount rate (decrease by 1%)	0.12
Salary growth rate (decrease by 1%)	(0.10)
Attrition rate (decrease by 1%)	0.02

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.

(g) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : A decrease in the bond interest rate will increase the plan liability, however, this will be partially offset by an increase in the return on the plan's debt.

Investment risk : The present value of the defined benefit plan liability (denominated in Indian Rupees) is calculated using a discount risk which is determined by reference to market yields at the end of the reporting period on government bonds.

Longetivity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

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.

Salary risk : The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

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(h) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 19.23 years

The expected maturity analysis of undiscounted gratuity is as follows:

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
Less than a year	0.21
Between 1 - 2 years	0.01
Between 2 - 3 years	0.02
Between 3 - 4 years	0.16
Between 4 - 5 years	0.05
Beyond 5 years	0.72
Total	**1.17**

37 Related party disclosures (as per Ind AS 24)

(a)	**Details of related parties :**	**Name of related parties**
(i)	Ultimate Holding Company	APL Apollo Tubes Limited
(ii)	Holding Company	Shri Lakshmi Metal Udyog Limited
(iii)	Fellow Subsidiary (with whom transactions have taken place during the year)	Apollo Metalex Private Limited
		APL Apollo Building Products Private Limited
(iv)	Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Rahul Gupta (Managing Director)
		Mr. Romi Sehgal (Whole Time Director)
		Mr. Vinay Gupta (Director)
		Mr. Nandlal Bansal (Chief Financial Officer resigned on August 6, 2021)
		Mr. Sunil Mittal (Chief Financial Officer w.e.f. August 6, 2021)
		Mrs. Surbhi Arora (Company Secretary resigned on January 24, 2022)
		Mr. Shivam Maheshwari (Company Secretary w.e.f. January 25, 2022)
		Mr. Anil Kumar Bansal (Independent Director)
		Ms. Neeru Abrol (Independent Director)
		Mr. Bharat Bhushan Sahny (Independent Director)
(v)	Relative of KMP (with whom transactions have taken place during the year)	Mrs. Saroj Rani Gupta (Grandmother of Mr. Rahul Gupta)
		Mrs. Neera Gupta (Mother of Mr. Rahul Gupta)
		Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta)
(vi)	Associates (with whom transactions have taken place during the year)	Radiance Ka Sunrise Two Private Limited
(vii)	Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	APL Infrastructure Private Limited
		Apollo Pipes Limited

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
(b) Transactions during the year								
Sale of goods (net of discounts)								
APL Apollo Tubes Limited	168.79	-	-	-	-	-	-	168.79
Shri Lakshmi Metal Udyog Limited	-	0.93	-	-	-	-	-	0.93
Apollo Metalex Private Limited	-	-	0.03	-	-	-	-	0.03
	168.79	**0.93**	**0.03**	**-**	**-**	**-**	**-**	**169.75**
Sale of scrap (other operating revenue)								
APL Apollo Tubes Limited	6.33	-	-	-	-	-	-	6.33
	6.33	**-**	**-**	**-**	**-**	**-**	**-**	**6.33**
Sale of raw material (net of discounts)								
APL Apollo Tubes Limited	245.29	-	-	-	-	-	-	245.29
Shri Lakshmi Metal Udyog Limited	-	502.52	-	-	-	-	-	502.52
Apollo Metalex Private Limited	-	-	72.21	-	-	-	-	72.21
	245.29	**502.52**	**72.21**	**-**	**-**	**-**	**-**	**820.02**
Sale of property, plant and equipment								
APL Apollo Tubes Limited	0.05	-	-	-	-	-	-	0.05
APL Apollo Building Products Private Limited	-	-	1.44	-	-	-	-	1.44
Apollo Metalex Private Limited	-	-	0.08	-	-	-	-	0.08
	0.05	**-**	**1.52**	**-**	**-**	**-**	**-**	**1.57**
Sale of stores and spares								
APL Apollo Tubes Limited	0.05	-	-	-	-	-	-	0.05
Shri Lakshmi Metal Udyog Limited	-	0.05	-	-	-	-	-	0.05
Apollo Metalex Private Limited	-	-	0.31	-	-	-	-	0.31
APL Apollo Building Products Private Limited	-	-	0.04	-	-	-	-	0.04
	0.05	**0.05**	**0.35**	**-**	**-**	**-**	**-**	**0.45**
Purchase of property, plant and equipment								
APL Apollo Tubes Limited	3.34	-	-	-	-	-	-	3.34
APL Apollo Building Products Private Limited	-	-	1.02	-	-	-	-	1.02
	3.34	**-**	**1.02**	**-**	**-**	**-**	**-**	**4.36**
Purchase of stock-in-trade (net of discounts)								
APL Apollo Tubes Limited	7.35	-	-	-	-	-	-	7.35
	7.35	**-**	**-**	**-**	**-**	**-**	**-**	**7.35**
Purchase of raw material (net of discounts)								
APL Apollo Tubes Limited	58.52	-	-	-	-	-	-	58.52
Shri Lakshmi Metal Udyog Limited	-	1.68	-	-	-	-	-	1.68
Apollo Metalex Private Limited	-	-	132.57	-	-	-	-	132.57
	58.52	**1.68**	**132.57**	**-**	**-**	**-**	**-**	**192.77**

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(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Purchase of stores and spares								
APL Apollo Tubes Limited	0.21	-	-	-	-	-	-	0.21
Shri Lakshmi Metal Udyog Limited	-	0.00	-	-	-	-	-	0.00
APL Apollo Building Products Pvt Ltd	-	-	0.07		-	-	-	0.07
Apollo Pipes Limited	-	-	-	-	-	-	0.02	0.02
Apollo Metalex Private Limited	-	-	0.26	-	-	-	-	0.26
	0.21	**0.00**	**0.33**	**-**	**-**	**-**	**0.02**	**0.56**
Purchases of scrap								
APL Apollo Tubes Limited	0.51	-	-	-	-	-	-	0.51
	0.51	**-**	**-**	**-**	**-**	**-**	**-**	**0.51**
Management support service expense								
APL Apollo Tubes Limited	11.04	-	-	-	-	-	-	11.04
Apollo Metalex Private Limited	-	-	0.03	-	-	-	-	0.03
	11.04	**-**	**0.03**	**-**	**-**	**-**	**-**	**11.07**
Management support service income								
APL Apollo Tubes Limited	0.60	-	-	-	-	-	-	0.60
Shri Lakshmi Metal Udyog Limited	-	0.07	-	-	-	-	-	0.07
Apollo Metalex Private Limited	-	-	0.14	-	-	-	-	0.14
	0.60	**0.07**	**0.14**	**-**	**-**	**-**	**-**	**0.81**
Advance in the nature of loan taken during the year								
APL Apollo Tubes Limited	563.24	-	-	-	-	-	-	563.24
	563.24	**-**	**-**	**-**	**-**	**-**	**-**	**563.24**
Advance in the nature of loan repaid during the year								
APL Apollo Tubes Limited	563.24	-	-	-	-	-	-	563.24
	563.24	**-**	**-**	**-**	**-**	**-**	**-**	**563.24**
Advance in the nature of loan given during the year (see note (iii) below)								
Shri Lakshmi Metal Udyog Limited	-	73.67	-	-	-	-	-	73.67
Apollo Metalex Private Limited	-	-	62.26	-	-	-	-	62.26
APL Apollo building products private limited	-	-	5.14	-	-	-	-	5.14
APL Apollo Tubes Limited	623.72	-	-	-	-	-	-	623.72
	623.72	**73.67**	**67.40**	**-**	**-**	**-**	**-**	**764.79**
Advance in the nature of loan received back during the year (see note (iii) below)								
Shri Lakshmi Metal Udyog Limited	-	73.67	-	-	-	-	-	73.67
Apollo Metalex Private Limited	-	-	62.26	-	-	-	-	62.26

(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
APL Apollo building products private limited	-	-	5.14	-	-	-	-	5.14
APL Apollo Tubes Limited	623.72	-	-	-	-	-	-	623.72
	623.72	**73.67**	**67.40**	**-**	**-**	**-**	**-**	**764.79**
Loan given during the year								
APL Apollo Tubes Limited	100.00	-	-	-	-	-	-	100.00
	100.00	**-**	**-**	**-**	**-**	**-**	**-**	**100.00**
Rent income								
APL Apollo Tubes Limited	0.24	-	-	-	-	-	-	0.24
	0.24	**-**	**-**	**-**	**-**	**-**	**-**	**0.24**
Job work income								
APL Apollo Tubes Limited	0.23	-	-	-	-	-	-	0.23
Shri Lakshmi Metal Udyog Limited	-	5.01	-	-	-	-	-	5.01
	0.23	**5.01**	**-**	**-**	**-**	**-**	**-**	**5.24**
Interest expense								
APL Apollo Tubes Limited	0.25	-	-	-	-	-	-	0.25
	0.25	**-**	**-**	**-**	**-**	**-**	**-**	**0.25**
Interest income								
APL Apollo Tubes Limited	0.44	-		-	-	-	-	0.44
Shri Lakshmi Metal Udyog Limited	-	0.00	-	-	-	-	-	0.00
APL Apollo Building Products Private Limited	-	-	0.05	-	-	-	-	0.05
Apollo Metalex Private Limited	-	-	0.01	-	-	-	-	0.01
	0.44	**0.00**	**0.06**	**-**	**-**	**-**	**-**	**0.50**
Salary								
Mr. Rahul Gupta	-	-	-	1.20	-	-	-	1.20
Mr. Romi Sehgal	-	-	-	1.33	-	-	-	1.33
Mr. Sunil Mittal	-	-	-	0.16	-	-	-	0.16
Mr. Nandlal Bansal	-	-	-	0.05	-	-	-	0.05
Mr. Shivam Maheshwari	-	-	-	0.03	-	-	-	0.03
Mrs. Surbhi Arora	-	-	-	0.07	-	-	-	0.07
	-	**-**	**-**	**2.84**	**-**	**-**	**-**	**2.84**
Investment in associate (refer note 3)								
Radiance Ka Sunrise Two Private Limited	-	-	-	-	-	2.90	-	2.90
	-	**-**	**-**	**-**	**-**	**2.90**	**-**	**2.90**
Power & fuel expense								
Radiance Ka Sunrise Two Private Limited	-	-	-	-	-	0.33	-	0.33
	-	**-**	**-**	**-**	**-**	**0.33**	**-**	**0.33**

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(Amount in ₹ Crore)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Associate	Enterprises significantly influenced by KMP and their relatives	Total
Director sitting fees paid								
Mr. Vinay Gupta	-	-	-	0.02	-	-	-	0.02
Mr. Anil Kumar Bansal	-	-	-	0.06	-	-	-	0.06
Ms. Neeru Abrol	-	-	-	0.05	-	-	-	0.05
Mr. Bharat Bhushan Sahny	-	-	-	0.02	-	-	-	0.02
	-	**-**	**-**	**0.15**	**-**	**-**	**-**	**0.15**
(C) Balances outstanding at the end of the year								
Trade receivables								
APL Apollo Tubes Limited	0.15	-	-	-	-	-	-	0.15
Shri Lakshmi Metal Udyog Limited	-	12.21	-	-	-	-	-	12.21
	0.15	**12.21**	**-**	**-**	**-**	**-**	**-**	**12.36**
Trade payables								
APL Apollo Building Products Private Limited	-	-	0.03	-	-	-	-	0.03
Apollo Pipes Limited	-	-	-	-	-	-	0.10	0.10
	-	**-**	**0.03**	**-**	**-**	**-**	**0.10**	**0.13**
Advance from customer								
APL Apollo Tubes Limited	5.63	-	-	-	-	-	-	5.63
	5.63	**-**	**-**	**-**	**-**	**-**	**-**	**5.63**
Loan given								
APL Apollo Tubes Limited	100.00	-	-	-	-	-	-	100.00
	100.00	**-**	**-**	**-**	**-**	**-**	**-**	**100.00**
Investment in associate (refer note 3)								
Radiance Ka Sunrise Two Private Limited	-	-	-	-	-	2.90	-	2.90
	-	**-**	**-**	**-**	**-**	**2.90**	**-**	**2.90**
Interest receivables								
APL Apollo Tubes Limited	0.39	-	-	-	-	-	-	0.39
Shri Lakshmi Metal Udyog Limited	-	0.00	-	-	-	-	-	0.00
Apollo Metalex Private Limited	-	-	0.01	-	-	-	-	0.01
	0.39	**0.00**	**0.01**	**-**	**-**	**-**	**-**	**0.40**
Claim receivables								
Shri Lakshmi Metal Udyog Limited	-	1.26	-	-	-	-	-	1.26
	-	**1.26**	**-**	**-**	**-**	**-**	**-**	**1.26**
Expenses payables								
APL Apollo Tubes Limited	3.40	-	-	-	-	-	-	3.40
Apollo Metalex Private Limited	-	-	0.91	-	-	-	-	0.91
Rahul Gupta	-	-	-	0.20	-	-	-	0.20
Romi Sehgal	-	-	-	0.00	-	-	-	0.00
Sunil Mittal	-	-	-	0.01	-	-	-	0.01
Shivam Maheshwari	-	-	-	0.00	-	-	-	0.00
	3.40	**-**	**0.91**	**0.21**	**-**	**-**	**-**	**4.52**

Notes :-

(i) Amount of expense of gratuity and compensated absences is taken on actuarial basis.

(ii) The term loan and other credit facilities of the Group are also secured by corporate guarantee of APL Apollo Tubes Limited, ultimate holding Company, personal guarantee of directors of the APL Apollo Tubes Limited, ultimate holding Company, Mr. Sanjay Gupta and Mr. Rahul Gupta (Managing director of Apollo Tricoat Tubes Limited).

(iii) The treasury and finance operations of the Group, its holding company, its ultimate holding company and fellow subsidiaries (APL Group Companies) are managed centrally. Based on the funding requirement, APL group companies provide advance 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 the nature of loan given by the Group to its holding Company, its ultimate holding company and fellow subsidiaries are as under :

(Amount in ₹ Crore)

Name of company	Limits approved	Maximum amount outstanding during the year
Shri Lakshmi Metal Udyog Limited	40.00	40.00
Apollo Metalex Private Limited	50.00	13.39
APL Apollo Building Products Private Limited	10.00	5.14
APL Apollo Tubes Limited	100.00	76.26

38 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.

(Amount in ₹ Crore)

Particulars	As at March 31, 2022		
	FVTOCI	FVTPL	Amortised cost
Financial assets - Non-current			
Security deposits	-	-	1.64
Loan to related party	-	-	100.00
Investments in associates	-	-	1.36
Financial assets - Current			
Trade receivables	-	-	37.34
Claim receivables	-	-	1.30
Interest accrued but not yet due	-	-	0.52
Cash and cash equivalents	-	-	53.09
Bank balances other than cash and cash equivalents	-	-	10.70
Security deposit	-	-	0.01
Total financial assets	**-**	**-**	**205.96**
Financial liabilities-Non-current			
Borrowings	-	-	35.80
Financial liabilities-Current			
Capital creditors	-	-	2.30
Borrowings	-	-	13.19
Lease liabilities	-	-	0.03

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(Amount in ₹ Crore)

Particulars	As at March 31, 2022		
	FVTOCI	FVTPL	Amortised cost
Trade payables	-	-	126.72
Interest accrued but not due on borrowings	-	-	0.26
Security deposits payable	-	-	0.05
Total financial liabilities	**-**	**-**	**178.35**

(a) Valuation technique to determine fair value

Cash and cash equivalents, other bank balances, trade receivables, loans, other current financial assets, trade payables, current borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the lease payments are determined by using discounted cash flow method using the appropriate discount rate. The discount rate is determined using other similar instruments incorporating the risk associated.

(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 consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group 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.

39 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, The Group treasury department identifies, evaluates 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.

(a) Market risk

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

(i) Foreign currency risk

The Group's functional currency is Indian Rupees. The Group undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's the costs of imports, primarily in relation to capital assets.

The Group has limited exposure to foreign currency risk and thereby it mainly relies on natural hedge. To further mitigate the Group's exposure to foreign currency risk, non-INR cash flows are continuously monitored.

Details of unhedged foreign currency exposure :-

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

Particulars	As at March 31, 2022
Payables	
USD	160,750
Equivalent amount in ₹ in crore	1.22

Sensitivity

If INR is depreciated or appreciated by 0.5% vis-a-vis foreign currency, the impact thereof on the profit (after tax) of the Group are given below:

(Amount in ₹ Crore)

Particulars	Impact on profit after tax Year ended March 31, 2022
USD sensitivity	
INR/USD Increases by 0.50%	(0.00)
INR/USD Decreases by 0.50%	0.00

(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 ₹ with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and MCLR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Variable rate borrowings	48.96
Fixed rate borrowings	0.03
Total borrowings	**48.99**

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

Particulars	Balance	% of total loans
As at March 31, 2022		
Bank loans	48.96	99.95%

Sensitivity

Profit (after tax) is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(Amount in ₹ Crore)

Particulars	Impact on profit after tax
	Year ended March 31, 2022
Interest rates – increase by 0.50%	(0.18)
Interest rates – decrease by 0.50%	0.18

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial losses to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The Group evaluates the credit worthiness of the customers based on publicly available information and the Group's historical experiences. The Group's exposure to its counterparties are continuously reviewed and monitored by the Chief Operating Decision Maker (CODM).

Credit period varies as per the contractual terms with the customers. No interest is generally charged on overdue receivables.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty. Trade receivables consist of a large number of customers of various scales and in different geographical areas. Based on historical information about customer default rates, management considers the credit quality of trade receivables. In case the receivables are not recovered even after regular follow up, measures are taken to stop further supplies to the concerned customer. The Group recognises lifetime expected credit loss on trade receivables using simplified approach.

Credit risk relating to cash and cash equivalent and restricted cash is considered negligible as counterparties are banks. The management considers the credit quality of deposits with such bank to be good and reviews the banking relationships on an on-going basis.

In current year ended March 31, 2022, revenues arising from sales of products as disclosed in note 25(a) includes revenue of ₹917.63 crores from two customers who contributed more than 10% to the Group's revenue.

(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:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Floating rate borrowings	140.00
Nature of facility	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: (Amount in ₹ Crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2022				
Borrowings*	13.19	35.80	-	48.99
Trade payables	126.72	-	-	126.72
Lease liabilities (undiscounted)*	0.03	-	-	0.03
Capital creditors	2.30	-	-	2.30
Interest accrued but not due on borrowings	0.26	-	-	0.26
Security deposits payable	0.05	-	-	0.05
Total non-derivative liabilities	**142.55**	**35.80**	**-**	**178.35**

* The amount does not include interest payments

40 Reconciliation of liabilities arising from financing activities

(Amount in ₹ Crore)

Particulars	Opening Balance as at April 1, 2021	Net Cash flows	Interest expense (Non cash)	As at March 31, 2022
Non-current borrowings	48.99	(13.19)	-	35.80
Current borrowings	13.04	0.15	-	13.19
Lease liabilities	0.06	(0.03)	0.00	0.03
Total liabilities from financing activities	**62.09**	**(13.07)**	**0.00**	**49.02**

41 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 borrowing 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 acquisition, top 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 borrowing less cash and cash equivalents, bank balances other than cash and cash equivalents.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
Non-current borrowings	35.80
Current borrowings	13.19
Less: Cash and cash equivalents	(63.79)
Net Debts	**(14.80)**
Total Equity	**444.00**
Gearing Ratio	**(0.03)**

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

42 Additional Regulatory Information

(a) Below is the title deed of Immovable Property not held in the name of the Group

(i) In the books of Apollo Tricoat Tubes Limited :

Particulars	As at March 31, 2022
Relevant line item in the balance sheet	Property, plant and equipment
Description of item property	Land at Dujana plant
Gross carrying amount (Amount in ₹ Crore)	9.06
Title deeds held in the name of	Potential Investments and Finance Limited
Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	No
Property held since which date	26-Dec-15
Reason for not being held in the name of the Company	Refer note below

Note: Potential Investments and Finance Limited is the erstwhile name of the Company. Company was incorporated on January 12, 1983.

(ii)

Particulars	As at March 31, 2022
Relevant line item in the balance sheet	Property, plant and equipment
Description of item property	Land at Attibele depot
Gross carrying amount (Amount in ₹ Crore)	5.24
Title deeds held in the name of	Best Steel Logistics Limited
Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	No
Property held since which date	14-Oct-16
Reason for not being held in the name of the Company	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 (CWIP) is as below:

(Amount 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	9.05	-	9.05
1-2 years	0.06	-	0.06
2-3 years	-	-	-
More than 3 years	-	-	-
Total	**9.11**	**-**	**9.11**

Note : There are no projects as on reporting period where activity has been suspended. Also, there are no projects as on reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

(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:

(Amount in ₹ Crore)

Particulars	As at March 31, 2022
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year	
-Principal amount due to micro and small enterprise	1.02
-Interest due on above	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-
Total	**1.02**

(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:

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2022
(i) Gross amount required to be spent as per section 135 of Companies Act, 2013	1.35
(ii) Amount of expenditure in the books of accounts	1.35
(iii) Actual expenditure	0.84
(iv) Provision made for liability	0.51
(v) Shortfall at the end of the year	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹ Crore)

Particulars		Year ended March 31, 2022
(vi)	Total of previous years shortfall	-
(vii)	Reason for shortfall	Not applicable
(viii)	Nature of CSR activities	
	- Construction/acquisition of any asset	0.27
	- On purposes other than above	0.57
(ix)	Details of related party transactions	None

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the rules"), the Company has subsequent to balance sheet date has deposited amount of ₹0.51 crore to a separate bank account.

(e) Financial ratios as per the Schedule III requirements

Particulars		As at March 31, 2022
(i)	Current ratio	1.08
	Current ratio = Current assets / current liabilities	
(ii)	Debt-equity ratio	0.11
	Debt-equity ratio = Total debt / shareholder's equity	
(iii)	Debt service coverage ratio	9.09
	Debt service coverage ratio = Earnings available for debt service / debt service	
(iv)	Return on equity ratio	37.33
	Return on equity ratio= Net profit after tax / average shareholder's equity*100	
(v)	Inventory turnover ratio	36.88
	Inventory turnover ratio= Sales / average inventory	
(vi)	Trade receivables turnover ratio	111.60
	Trade receivables turnover ratio= Net credit sales / average trade receivables	
(vii)	Trade payables turnover ratio	29.81
	Trade payables turnover ratio= Net credit purchases / average trade payables	
(viii)	Net capital turnover ratio	173.51
	Net capital turnover ratio= Net sales / working capital	
(ix)	Net profit ratio	5.11
	Net profit ratio= Profit after tax / net sales*100	
(x)	Return on capital employed	37.60
	Return on capital employed= Earning before interest & taxes (EBIT) / Capital employed*100	
(xi)	Return on investment	Not applicable (refer note 3)
	Return on investment= (Current value of investment-average investment)/ average investment*100	

Explanation of formulas used in calculating ratios :

Total debt includes long term borrowing and short term borrowing.

Net worth includes shareholder capital and reserve and surplus.

Earnings available for debt service includes profit after tax, depreciation and interest expense.

Debt service includes interest, lease payments and principal repayments.

EBIT includes profit before tax plus finance costs.

Net sales means revenue from operations.

Net credit purchase means purchase of stock-in-trade and raw materials.

Capital employed means tangible net worth, total debt and deferred tax liability.

(f) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(g) The Group has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(h) There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(i) The Group has not traded or invested in crypto currency or virtual currency during the reporting year.

(j) The Group has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting years.

(k) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(l) The Board of Directors of Apollo Tricoat Tubes Limited ("Company"), at its meeting on February 27, 2021, had considered and approved a draft scheme of amalgamation ('scheme') of the Company and Shri Lakshmi Metal Udyog Limited ("Shri Lakshmi") with APL Apollo Tubes Limited ("APL Apollo"), its Holding Company and their respective shareholders and creditors, as may be modified from time to time ('scheme'), under Section 230 to 232 of the Companies Act, 2013. 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.

(m) The Group do not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(n) All the quarterly statements of current assets (inventories and trade receivables) filed by the Group with banks or financial institutions are in agreement with books of accounts.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Reg. No. 001076N/N500013

Neeraj Sharma
Partner
Membership No. 502103

Place : Noida
Date : May 6, 2022

For and on behalf of the Board of Directors of Apollo Tricoat Tubes Limited

Rahul Gupta
Managing Director
DIN: 07151792

Romi Sehgal
Whole Time Director
DIN: 03320454

Sunil Mittal
Chief Financial Officer

Shivam Maheshwari
Company Secretary
Membership No. 38467

Place : Noida
Date : May 6, 2022

Notes

Notes

CIN: L74900DL1983PLC014972

Apollo TriCoat

THREE STEPS AHEAD

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