



Apollo TriCoat

THREE STEPS AHEAD

To,
The Department of Corporate Services
BSE Limited
Floor 25, P J Towers
Dalal Street, Mumbai-400 001
Scrip Code: 538566

August 10, 2021

Dear Sir/Madam,

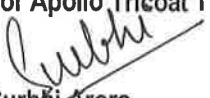
Re. Annual Report for the Financial Year 2020-21

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2020-21, being sent to those members by email whose email addresses are registered with the Company/Depository participant(s), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. The Annual Report is also uploaded on the website of the Company at www.apollotriccoat.com.

Request you to please take the aforesaid information on your record.

Thanking You,

Yours faithfully,
For Apollo Tricoat Tubes Limited


Surbhi Arora
Company Secretary
M. No. A33370



Apollo TriCoat Tubes Limited (Formerly Known as Best Steel Logistics Ltd.)

CIN: L74900DL1983PLC014972

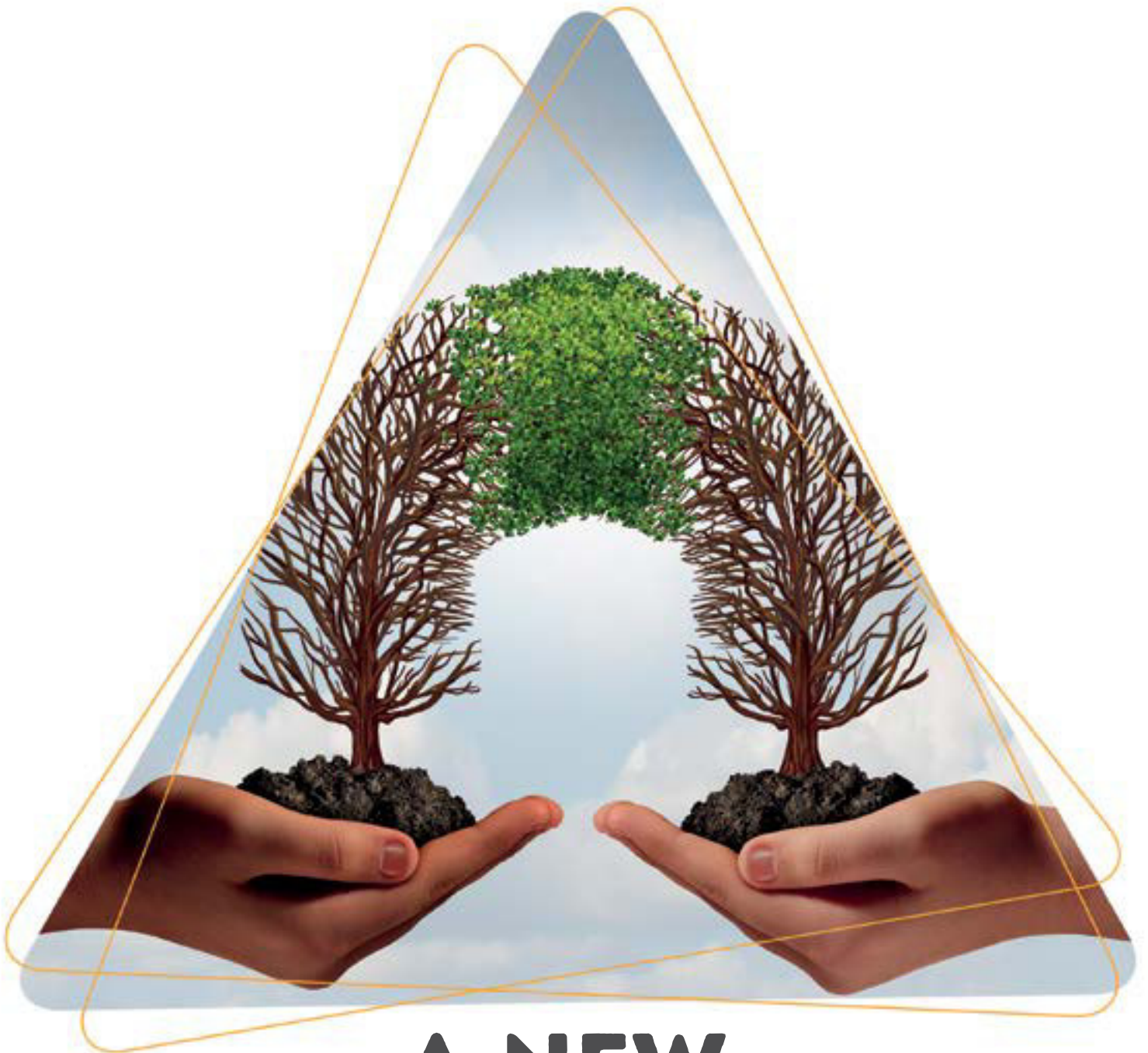
Corp. Office: 36, Kaushambi, Near Anand Vihar Terminal, Delhi - NCR 201010, India Tel: +91-120-4041400 Fax: +91-120-4041444

Regd. Office: 37, Hargobind Enclave, Vikas Marg, Delhi - 110092, India Tel: +91-11-22373437 Fax: +91-11-22373537

Unit-I: Plot No. 53, Part-I, 4th Phase, Industrial Area, Sy. No. 28-33, Kurandahalli Village, Kasaba Hobli, Malur, Taluk, Distt. Kolar - 563101 Karnataka, India

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

E-mail: info@apollotriccoat.com | Website: www.apollotriccoat.com



A NEW JOURNEY BECKONS

APOLLO TRICOAT TUBES LIMITED
ANNUAL REPORT 2020-21

The background of the cover is a composite image. It features a sunset or sunrise sky with orange, yellow, and blue hues. Overlaid on this are several interlocking gears of different sizes. A hand is visible, with fingers touching the teeth of the gears, suggesting human interaction with the machinery. The overall composition is dynamic and industrial.

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**“AND
SUDDENLY
YOU KNOW...
IT’S TIME
TO START
SOMETHING
NEW AND
TRUST THE
MAGIC
OF NEW
BEGINNINGS.”**

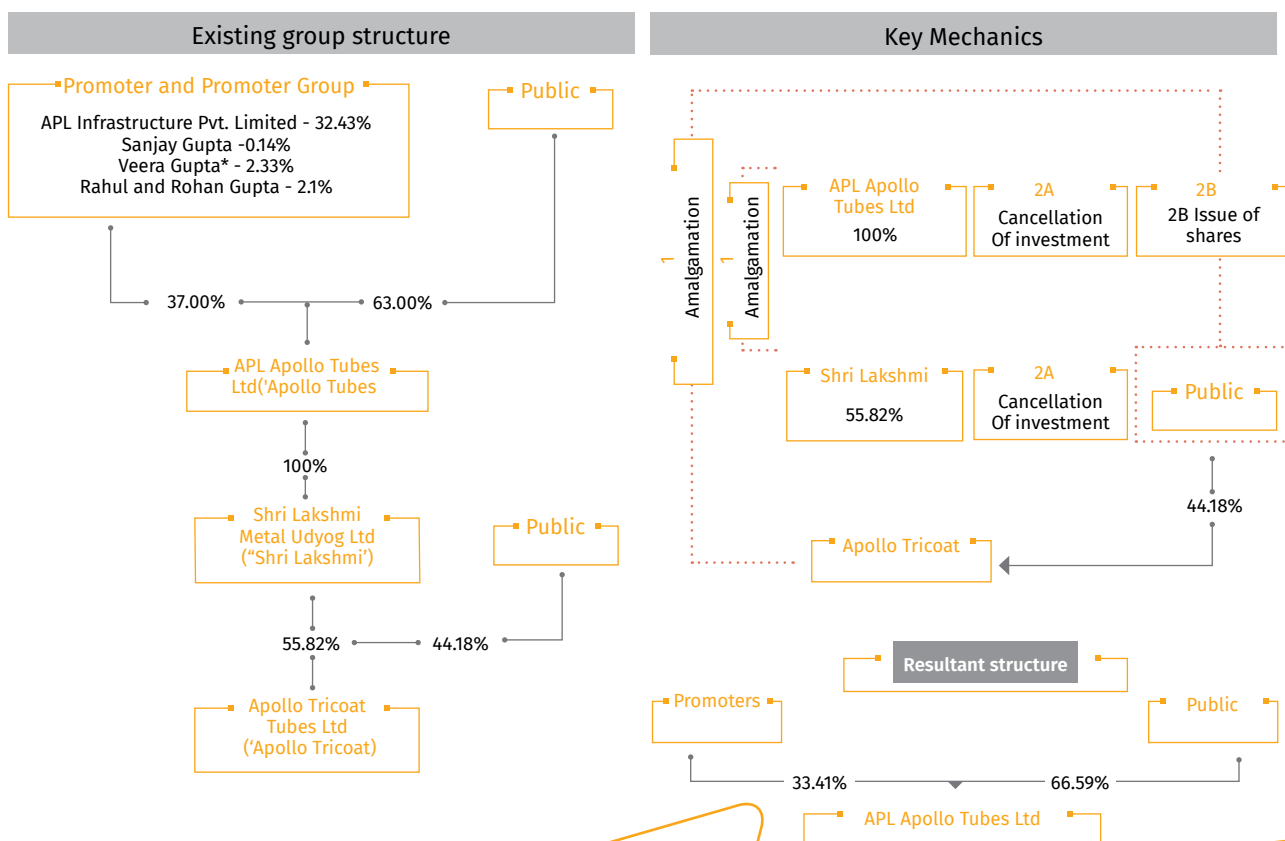
WE ARE STARTING A NEW
JOURNEY WITH APL APOLLO
TUBES, INDIA’S LARGEST
STRUCTURAL TUBE PLAYER AND
OUR PARENT COMPANY THAT
PROMISES TO TAKE US PLACES.

THE MERGER

In February 2021, the Board of Directors of APL Apollo Tubes Limited, one of the entities belonging to Sudesh Group approved a scheme of amalgamation of Apollo TriCoat Tubes Limited and unlisted subsidiary,

Shri Lakshmi Metal Udyog Limited with itself. The announcement was made to usher the consolidation of pipe manufacturing business carried through different companies into a holding company.

THE TRANSACTION



BENEFIT TO APOLLO TRICOAT SHAREHOLDERS

- A stronger platform with stable cash flows will drive superior returns
- A stronger Balance Sheet owing to a larger scale
- Earnings de-risked through addition of APL Apollo's products
- Opportunity to introduce new technologies into home innovation segment
- Greater awareness and superior premium owing to the APL Apollo brand
- Lower distribution cost by leveraging APL Apollo's wide and entrenched distribution network

BECOMING BIGGER AND STRONGER



Size matters

APL Apollo has 8 manufacturing units with capacity of 2.25mn tons.

Apollo Tricoat has 2 manufacturing units with capacity of 0.35mn tons.

Combined capacity of 2.6mn tons of structural steel tubes.



Growth

The Group has demonstrated volume growth of 27% (CAGR) in last 10 years.

The merged entity will focus on developing the structural steel tube market in coming years.

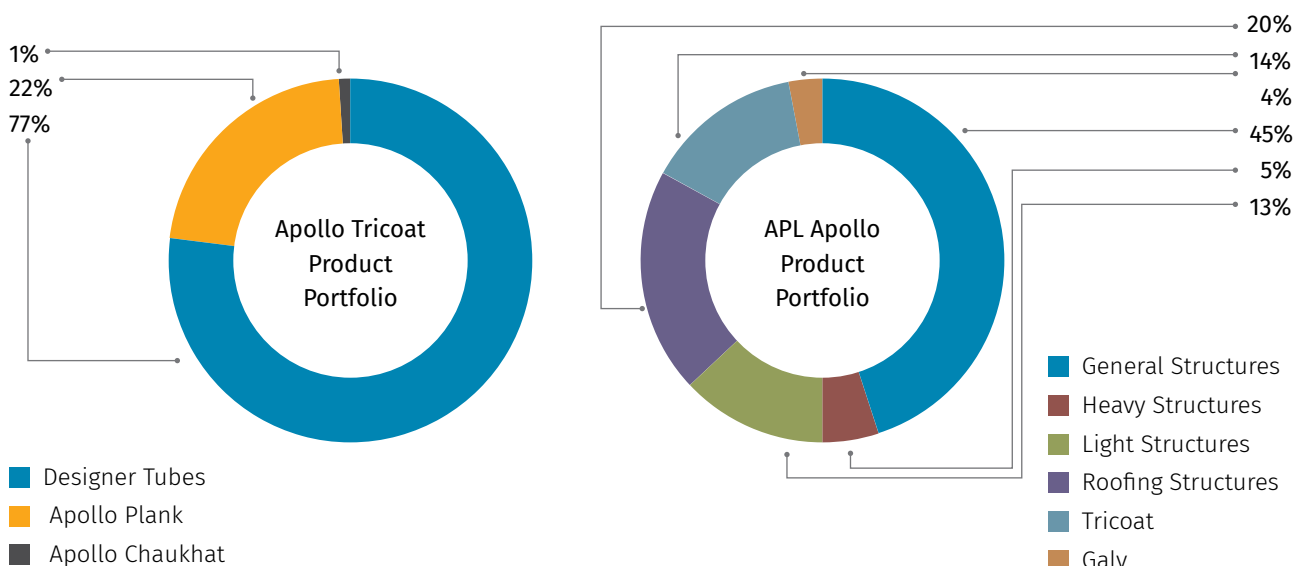


Apollo brand

Single platform to innovate new application for structural steel tubes (home innovation, heavy structural tube, home decor tubes).

APOLLO TRICOAT: DE-RISKED THROUGH ADDITION OF APL APOLLO'S PRODUCT

Apollo Tricoat: De-risked through addition of APL Apollo's product



APOLLO TRICOAT TUBES LIMITED

**A COMPANY THAT
BELIEVES IN DOING
DIFFERENT THINGS.**

**A TECHNOLOGY
LEADER IN THE
STRUCTURAL TUBE
SPACE.**

**AN ORGANISATION
RECOGNISED FOR
ITS PIONEERING
HOME IMPROVEMENT
CONCEPTS**

**A RESPONSIBLE
BUSINESS THAT
REPLACES WOOD
WITH STEEL.**





POSITIONED TO
REPLACE WOODEN
DOORS



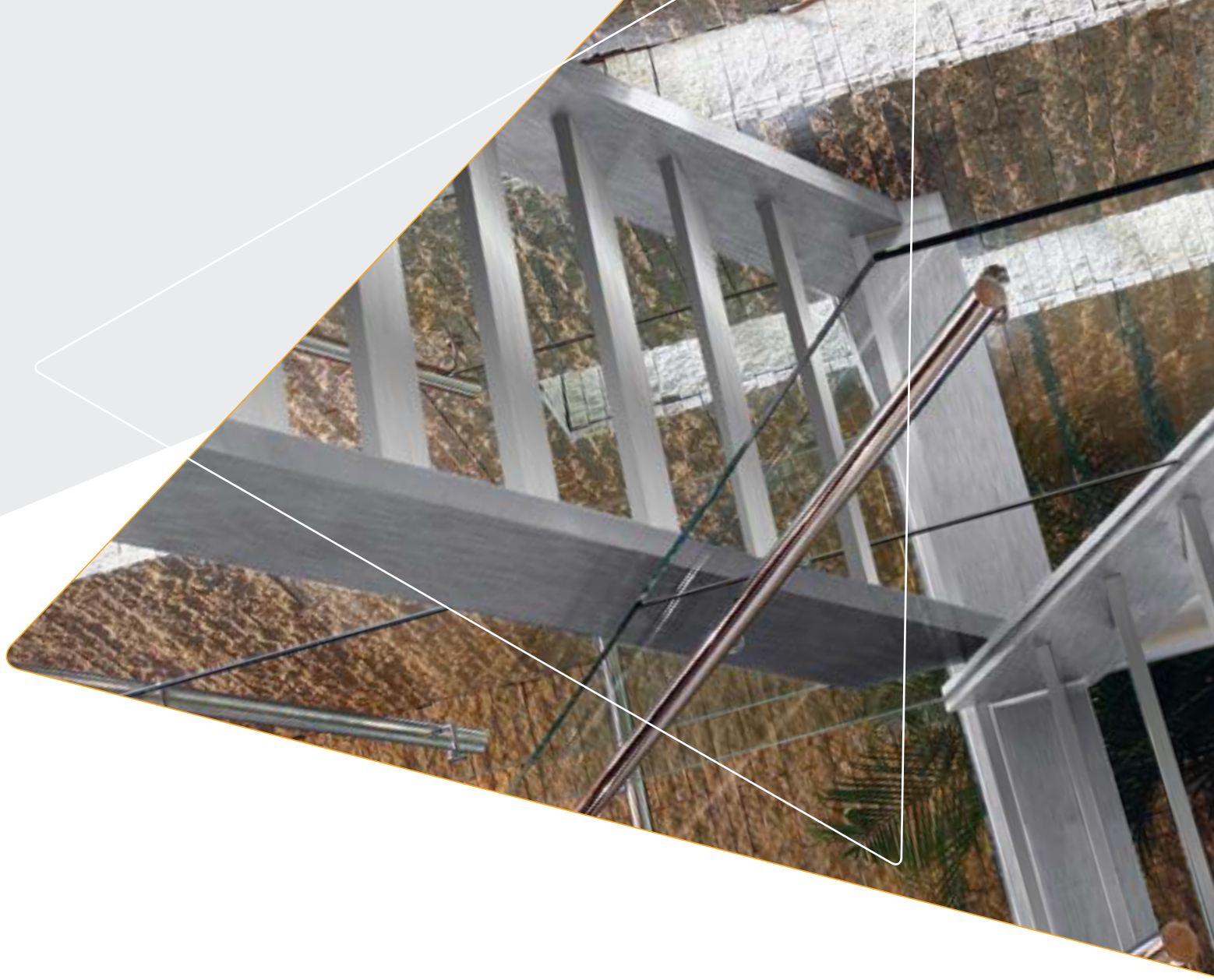
DESIGNED TO
BEAUTIFY ROOFING,
FURNITURE,
HANDRAILS AND
STRUCTURES.



A 100% REPLACEMENT
OF WOOD AND
CONCRETE SLABS

Part of the APL Apollo Group, Apollo Tricoat has its manufacturing facilities at Malur Industrial Area, Karnataka, and in Dadri, Uttar Pradesh.

Headquartered in Delhi, India, the Company's operations are spearheaded by Shri Rahul Gupta, supported by a senior management team of seasoned professionals. The Company's shares are listed on the BSE Limited.



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.

55.82%

Promoters' holding

0.35 MN TPA

Installed capacity

462

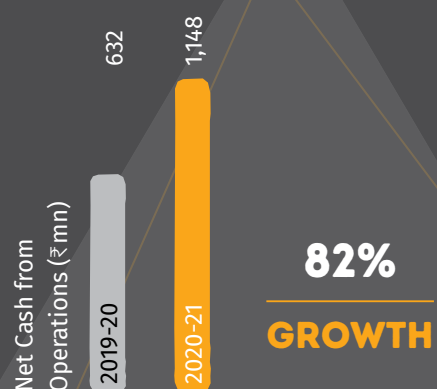
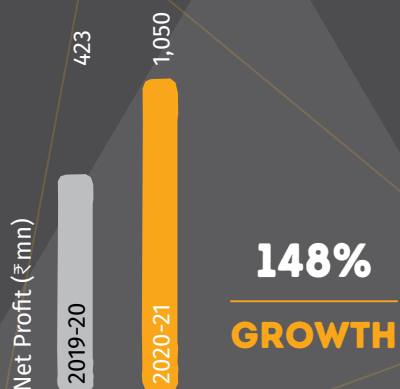
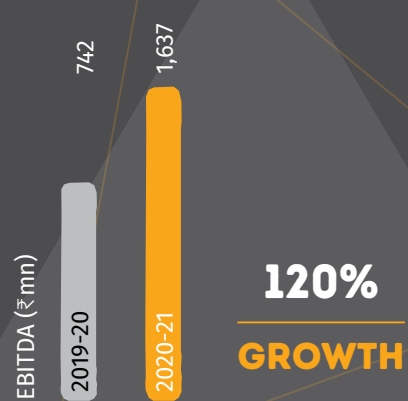
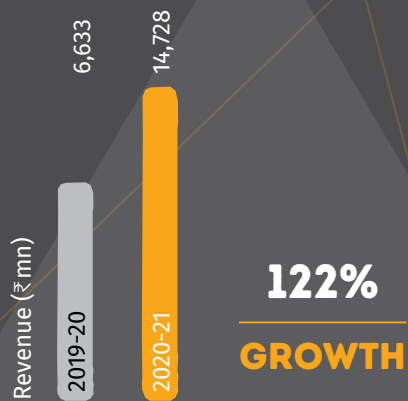
Team size

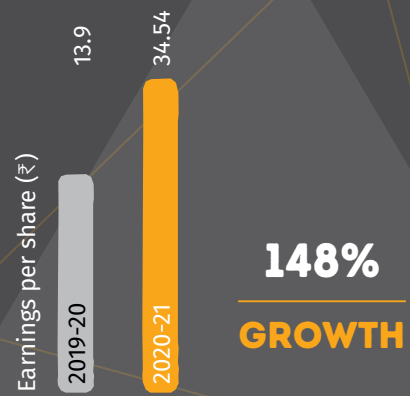
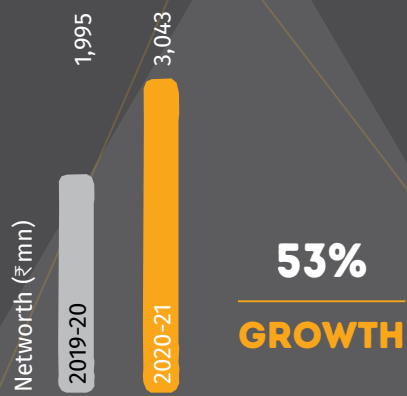
₹ 36.48 BN

Market Capitalisation as on
31/03/2021

KEY PERFORMANCE INDICATORS

RISING HIGH. AIMING HIGHER





FROM THE MANAGING
DIRECTOR'S DESK



**“WE WILL BE
PERSISTENTLY
EXPLORING
WAYS TO
FURTHER
IMPROVE
OUR TOP LINE
GROWTH AND
ENHANCE
BUSINESS
PROFITABILITY.”**

DEAR SHAREHOLDERS,

It is with immense pride and satisfaction that I look back on the year gone by. Despite the seemingly overwhelming challenges that came our way, we delivered healthy growth across all parameters.

In my earlier communiqué I had mentioned that the journey ahead would be riveting. And riveting it was. In our second full year of operations, we nearly doubled our sales volumes. Our Chaukhat brand received good traction in North India as did our roofing solutions in South India.

As a result, Net Sales increased by 122% over the previous fiscal, while Net Profit grew by 148% over the same period. Our EBITDA per tonne, an important measure of business profitability increased from ₹6,032 in 2019-20 to ₹7,071 in 2020-21.

This growth was primarily owing to our being in the right place. We focused on reaching our products to Tier II & III towns and rural markets. When the pandemic hit India, its impact was largely restricted to urban locales; the semi-urban and rural areas were relatively lesser impacted. Moreover, they were flush with fund on two accounts 1) a good agriculture season, for the third consecutive time and 2) direct fund transfer from the Government as part of the Covid relief package.

This growth in numbers, I am confident, will only increase as we move forward. In anticipation of this, we expanded the manufacturing capacity - taking the overall manufacturing capacity to 3.5 Lakh tonnes annually from 2.5 Lakh tonnes. Plans are also afoot to further augment the capacity of this unit in FY22.

Now the question is how will this demand grow.

We are becoming part of the parent APL Apollo Tubes. They have a wide and entrenched distribution network extending over the length and breadth of the nation. Our products will be marketed through this network. Even if our products are showcased through half their distribution network, we will need to create new facilities to manage the demand surge.

THE PROSPECTS IN THE CURRENT YEAR

India was well on its way to a sharp and smart resurgence only to be thwarted by the aggressive spread of the pandemic, which this time around has impacted rural India. And I think it will impact sales volumes for a couple of months at best.

But I think we will more than catch up in coming months. This is because

India has once again flattened the deadlier second wave in a little over a month. With the unlocking process having begun pan-India, demand should resurface soon. Also, another good agriculture season should see rural markets flush with funds – part of which will be utilised in construction activity.

The journey has been enjoyable so far and I am looking forward to an even more exciting time. We are persistently exploring ways to further improve our top line growth and enhance business profitability. My personal focus though will be on enhancing the quality of business.

In closing, I would like to thank the Board for guiding me to execute my responsibilities in the best possible manner. I would like to extend my gratitude to each and every member of our team for their relentless efforts in growing the Company step by step. I would also like to thank all our other stakeholders, suppliers, Bankers and the Government authorities for the support and assistance provided throughout our journey. I solicit your continued cooperation as we embark on a new journey.

Warm regards

RAHUL GUPTA
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS



INDIAN ECONOMY

FY21 was an unprecedented year. The pandemic and the lockdown across India for about a month pushed the Indian economy into a recession for the first time in decades.

India started FY21 as one of the worst performing economies with its GDP contracting by 24.4% in the first quarter of FY21 but recovered smartly to emerge as one of the select few

economies to report a positive growth for the three-month period October-December'20 – India's GDP grew by 0.4%. As resurgence gained momentum, India's GDP growth for Q4 of 2020-21 was even better at 1.6%.

Despite a sharp dip in manufacturing activities in the first half of the year, this sector rebounded sharply in the second half owing to the unlocking of the economy, the festive season and growing consumer confidence.

In keeping with this up tick, GST collections crossed the ₹1 Lakh Crore mark for the second half of 2020-21 – it was ₹1.23 Lakh Crore in March 2021, the highest collection since the launch of GST.

In view of the economic momentum in Q4 of 2020-21, leading opinion makers had estimated a sharp growth in India GDP for 2021-22. But the outbreak of the second wave of Covid-19 in India, these estimates have been revised downwards.

Realities & prospects

ABOUT THE SECTORS WE CATER

Real estate: In India, the real estate sector is the second-highest employment generator, after the agriculture sector. In the recent past, the real estate sector has displayed a lacklustre performance leading to significant unoccupied inventory especially in the residential segment. But this is getting liquidated as real estate majors throttled supply in the immediate short-term. Going forward, the prospects of the real estate sector appear promising.

It is expected that the sector will receive more non-resident Indian (NRI) investment, both in the short term and the long term. By 2040, real estate market is expected to touch the ₹65,000 Crore (US\$ 9.30 billion) mark

Affordable housing: To push its 'Housing for all' initiative the Government has provided a number of sops to encourage the economically weaker section of the Indian diaspora to get affordable housing opportunities. Among them are 1) the large and growing budgetary allocation to the Pradhan Mantri Awas Yojna (PMAY), 2) the GST rate cut from 8% to 1% for the affordable housing segment and 3)

the Government's effort to extend the deadline for Credit Linked Interest Subsidy Scheme to March 31, 2021, under the PMAY scheme. Private sector developers have sharpened their focus on this sector in to derive maximum benefit from the Government's policy push.

High rise buildings: Indian metro and select urban cities are witnessing immense demographic expansion due to migration from surrounding rural areas, leading to urban sprawl, housing demand, rise in cost of land. After explosive growth of these cities laterally, the only scope of development is moving northwards. As such vertical development has gained significant traction



ABOUT THE COMPANY

Apollo TriCoat Tubes Limited is a subsidiary of Shri Lakshmi Metal Udyog, which is a wholly-owned subsidiary of APL Apollo Tubes Ltd., one of India's leading branded steel tube manufacturers. The Company has manufacturing facilities at Malur, Bangalore and Dadri, Uttar Pradesh. It has a basket of four products, all of which are first-time launches in India.

Operational performance

Despite the health emergency and the pandemic induced lockdown across India, the Company registered a stellar performance.

Sales volume nearly doubled over the previous year – it stood at 231,490 tonnes against 123,080 tonnes in FY20.

Apollo Chaukaht, the steel doorframes, received an

overwhelming response especially from North India with capacities remaining booked through the year. In addition to products, the Company also launched complete solutions which witnessed healthy traction.

Apollo Signature and Elegant products also made strong inroads in the South India markets reporting a sizeable growth in sales volumes.

In keeping with the growing demand, the Company enhanced its capacity taking the overall manufacturing capacity to 3.5 Lakh tonnes.

The Company initiated In-Line Galvanising of Tubes; this technology promises to optimise zinc consumption. Moreover, this product opens a large growth opportunity over the coming years.

In addition to growing business and its prospects, the Company worked on reducing costs and improving shop-floor efficiencies.

Optimising power consumption: Power is a huge cost component for the Company. As such, the Company continued its efforts to reduce and optimise the energy consumption. As an important step in this direction, the Company installed meters on its equipment across all operating units to monitor and analyse energy consumption and identify ways of optimising the same. Also, the Company signed agreement for purchasing solar power from third party, which has significantly reduced the electricity cost. The Company is in the process of negotiations with vendors for installation of captive solar power system.



**Other important steps taken for
improving shop-floor efficiencies**

55% WASTAGE REDUCTION Y-O-Y

Adopted a policy of purchasing
coil with a standard width

PROCESS AUTOMATION

Installed the DFT technology at its
Malur unit for developing products
customised to applications

PRODUCTIVITY IMPROVEMENT

Important steps were implemented
to reduce changeover time
between batches



Financial performance

The Company has established its dominant leadership in two product categories, Home Beautification and Door Solutions. These innovative products were successfully launched and well accepted in the markets in last 2 years. The sharp improvement in the Company's financial performance in FY21 is an outcome of its painstaking efforts in creating awareness of its products and their growing acceptance.

The Company registered a topline of ₹14,728 mn against ₹6,633 mn in FY20. EBITDA increased to ₹1,655 mn in FY21 against ₹754 mn in FY20 and Net Profit jumped by 148% from ₹423 mn in FY20 to ₹1,050 mn in FY21.

Shareholders' Fund stood at ₹3,043 mn as on March 31, 2021 while total borrowings was at ₹620 mn on that day; the net debt-equity ratio was at 0.2x at the end of FY21. The Company reported a Net Cash from Operations amounting to ₹1,148 mn for FY21 of which ₹506 mn was deployed in debt repayment and ₹502 mn was invested in capacity augmentation.

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.

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

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

Particulars	FY 21	FY 20	Change	Reason
Interest Coverage (x)	15.4	10.9	41%	Debt Reduced
Debtor Days	2	18	-86%	Increase in Revenue and Sales policy
Inventory Days	16	42	-62%	Reduced Inventory
Current Ratio	1.5	1.1	40%	
Debt-Equity Ratio	0.2	0.5	-68%	Reduced Debt
EBITDAMargin(%)	11.1	11.2	8 bps	
Net Profit Margin(%)	7.1	6.4	76 bps	
Return on Networth(%)	41.7	25.4	1627 bps	

Human resource & Industrial relations

Apollo Tricoat is a family is the key reason for its success in a fiscal that will be remembered as the pandemic year.

The 462 (225- On Roll and 237 Off Roll) -strong team persevered to deliver on the Company's commitments despite the prevailing challenges in the external ecosystem.

Training & Upskilling: The HR department focuses on enhancing the knowledge and expertise of the team. Despite the pandemic, the team organised training sessions and engaging workshops digitally on various technical and behavioural skills .

Performance Management: The HR team put in place a robust PMS system through the process of MBO (management by objectives). The team framed the key responsibility areas (KRA) and objectives of employees in the staff level (senior

executives and above) and following it up with the evaluation of their KRAs.

The prime focus was to set up the goals and assess the performance through careful monitoring in close coordination with key stakeholders.

HR Systems Automation: The HR department completed the second phase of HR Systems Automation through Adrenaline Software across the Apollo TriCoat group. In this phase, talent acquisition and PMS modules incorporation in the Adrenaline Software was completed.

Employee Engagement: The HR wing took care to celebrate special days for Apollo TriCoat family members. Birthday celebrations are a must across the rank and file at the Company. Other special days like the International Women's Day and Independence Day are also observed with a lot of fanfare.

Festivals are also observed across the Company's various facilities to foster employee connect.

The department developed a comprehensive reward and recognition programme with the objective of motivating the employees.

Risk management

The risk management framework at Apollo TriCoat is designed to make the business model stronger and make profitable business growth sustainable.

The strategy is devised on the central axis of the Company's risk appetite calculated on the basis of various criteria. These factors are worked out on sectoral circumstances, liquidity conditions and the Company's earnings target within the accepted volatility limits. They provide a reference for its operating functions.

Apollo TriCoat has adopted a comprehensive and integrated risk appraisal, mitigation and management process. The risk mitigation measures of the Company are placed periodically before the Board for review.

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 pregalvanised and international market businesses.



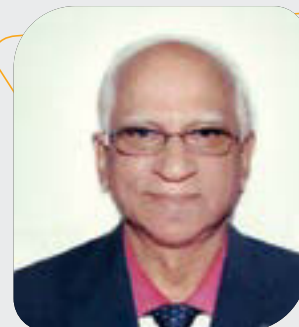
MS. NEERU ABROL
Independent Director

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 REPORTS

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 Nandlal Bansal

COMPANY SECRETARY

Ms. Surbhi Arora

AUDITORS

Statutory Auditor

M/s Walker Chandiook & 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-Badkhalsa, P.O

Rai, Sonapat, 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: www.apollotriccoat.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 ('the Company' or 'Apollo TriCoat') along with audited financial statements for the financial year ended March 31, 2021.

1. Financial Performance

The summarized financial results of your Company are given in the table below: (₹ in Lakhs)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Income from Operations	147281.05	66,325.06
Other income	179.64	113.97
Total revenue	147460.69	66,439.03
Total expenses (excluding Int. and depreciation)	130912.57	58,901.21
Earning before Depreciation, Int., Tax (EBIDTA)	16548.12	7537.82
Depreciation	1652.74	1,012.91
Profit Before Interest & Tax	14895.38	6524.91
Interest	970.28	601.10
Profit before Tax	13925.10	5,923.81
Taxation	3424.00	1,697.49
Profit for the year	10501.10	4,226.32

The Company's Sales Volume improved by 88% to 231490 ton; EBITDA increased by 120% to ₹1637mn; Net Profit increased by 148% to ₹1050 mn; Net debt declined by ₹556mn to ₹522mn; ROCE improved to 44.9% from 20.2% and ROE to 41.7% from 21.2%

**THE COMPANY
HAS EXPANDED
ITS CAPACITY
FROM 2.5 LAKH
TONS TO 3.5 LAKH
TONS DURING THE
FINANCIAL YEAR.**

2. Dividend

In order to augment resources, the Board of Directors of the Company has not recommended any Dividend for the financial year 2020-21.

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. Performance Review

The Company has created its dominant leadership in two product categories, Home Beautification and Door Solutions. These innovative products were successfully launched and well accepted in the markets in last 2 years. The FY21 performance is the

result of the way Team Tricoat has executed a strong business continuity plan focused on Health, Cost and Cash since Covid-19 pandemic hit our country last year. With our continuous focus on working capital and cost efficiencies, the company has emerged stronger on all parameters including production ramp up, cash flow generation, debt reduction and return profile.

5. Impact of Covid 19:

The World Health Organization declared Covid-19 outbreak as a pandemic just before the beginning of FY21. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government had taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 25, 2020, and extended up till Q1FY21. The lockdowns and restrictions imposed on various activities due to Covid – 19 pandemic had posed challenges to all the businesses including your company's business. Owing to the suspension of the operations due to lockdown across the country, the revenue for Q1FY21 was impacted. The company suspended the production operations from March 25, 2020 and partially resumed production operations from April 22, 2020. The nationwide lockdown had impacted sales of the company's products in Q1FY21 as the construction sites and company's distributors were shut across India during this period. Further, there were constraints for inter-state and intrastate movement of finished goods.

6. Impact of Covid-19 after the end of financial year till the date of this report

India was hit hard by the 2nd wave of Covid – 19 pandemic in April 2021. The state governments started announcing simultaneous lockdowns across the country. Major impact of Covid-19 has been felt in the first quarter with both revenue and profit being affected. With opening of domestic market post lockdown, we expect business to improve gradually and that business will start moving upwards from 2nd quarter of FY22.

7. Estimation of future impact of Covid-19 on operations

The Company has assessed the impact of Covid-19 pandemic on its business operations and has

considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventories, and trade receivables. Based on current estimates, the Company expects that the carrying amount of these assets will be recovered. Further, the management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long-term. The Company will continue to closely monitor any material changes to future economic conditions.

8. Projects & Expansion Plans

The Company is in the process of enhancing the capacity of existing products in line with the new market creation. There is good traction for products like "Chaukhat" and "Signature".

The Company has expanded its capacity from 2.5 Lakh tons to 3.5 Lakh tons during the financial year. In the coming years, the Company's target is to utilize the capacity.

9. 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.

10. 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.

11. Share Capital

As on March 31, 2021 the authorized capital of the Company stood at ₹650,00,000 divided into 325,00,000 equity shares of ₹2 each.

As on March 31, 2021, the Paid-up Share Capital of the Company stood at ₹6,08,00,000 divided into 3,04,00,000 equity shares of ₹2/- each.

During the period under review, there is no change in the share Capital of the Company.

12. 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]A+ and Short Term [ICRA]A1.
2. CRISIL assigned the long term credit rating AA; stable and short term rating A1+; stable.

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

The Board of Directors of the Company at its meeting held on February 27, 2021, considered and approved the draft scheme of arrangement for amalgamation between the Company (Transferor Company 2), Shri Lakshmi Metal Udyog Limited (Transferor Company 1)) with APL Apollo Tubes Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013. The Scheme is subject to receipt of approvals from the shareholders and creditors of the Company as may be directed by the National Company Law Tribunal, Delhi bench ("NCLT"), BSE Limited and approval of other regulatory or statutory authorities as may be required.

The Company has already made necessary applications to BSE Limited for their approval and of Securities and Exchange Board of India. On the scheme being effective, the shareholders of the Company shall be issued shares of APL Apollo Tubes Limited in the ratio 1:1.

The Scheme related details are available on the website of the Company at <http://apollotricoat.com/investors/amalgamation/>

14. 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 2020-21, is available on the Company's website at www.apollotricoat.com.

15. Directors and Key Managerial Personnel

Shri Vinay Gupta, Director retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms 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, Ms. Megha Gupta, Non-Executive Director of the Company tendered her resignation and Shri Vinay Gupta was appointed as Non-Executive Director of the Company w.e.f October 23, 2020 and his appointment was subsequently approved by the members through postal ballot resolutions passed on November 30, 2020.

16. Number of meetings of the Board

The Board of directors met 6 (Six) 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.

17. 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.

18. 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.apollotriccoat.com.

19. 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, 2021 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.

20. 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.

21. 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 2020-21 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 Auditors

In terms of Section 148 of the Act, the Company is required to get the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company had, on the recommendation of the Audit Committee, approved the appointment of M/s HMVN & Associates, Cost Accountants (FRN: 000290) as the cost auditors of the Company for the year ending March 31, 2022.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution will form part of the Notice convening the AGM. The approval of the members is sought for the proposed remuneration payable to the Cost Auditors for the Financial Year ended March 31, 2022. M/s HMVN & Associates, have vast experience in the field of cost audit and have been conducting the

audit of the cost records of the Company for the past several years. The Cost Audit Report of the Company for the Financial Year ended March 31, 2021 will be filed with the MCA. The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors had appointed M/s Kuldeep Dahiya & Associates, Company Secretaries in practice as Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2020-21. 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.

22. Loans, Guarantees and Investments

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

23. 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.

There are no materially significant RPTs made by the Company which have a potential conflict with the interest of the Company at large. Further the Company did not undertake any transaction falling within the purview of Section 188(1) of Companies Act, 2013 and thus disclosure in Form AOC-2 is not applicable.

24. 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.

25. 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://www.apollotricoat.com/pdfs/Vigil-Mechanism-Policy.pdf>.

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 2020-21.

26. 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.

27. 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 ₹49 Lakhs 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'**.

Subsequent to the year end, the CSR policy is being amended in line with the latest amendments notified by the Ministry of Corporate Affairs on January 22, 2021 through Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. The CSR Policy has been uploaded on the Company's website and may be accessed at the link: http://apollotriccoat.com/wp-content/uploads/2021/07/CSR-Policy_Triccoat.pdf

28. 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.

29. 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 2020-21:

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

30. 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, 2021, following statutory Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- 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.

31. 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).

32. 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

33. 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 'E'**).

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

34. 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

Date: May 3, 2021

Place: Ghaziabad

Rahul Gupta
Managing Director

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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

I, Kuldeep Dahiya, Proprietor of Kuldeep Dahiya & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 and made 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 (as amended from time to time)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time)
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time)

- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time)
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended from time to time)
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendments) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period**
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (as amended from time to time) - **Not applicable to the Company during the audit period**
- h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended from time to time)
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (as amended from time to time)- **Not applicable to the Company during the audit period**
- j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period**
- k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- vi. **I, further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws such as:-
 - a) Factories Act, 1948
 - b) Environment (Protection) Act, 1986
 - c) The Water (Prevention & Control of Pollution) Act, 1974
 - d) Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013
 - e) Air (Prevention & Control Pollution) Act, 1981
 - f) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - g) Payment of Wages Act, 1936
 - h) Payment of Gratuity Act, 1972
 - i) Contract Labour (Regulation & Abolition) Act, 1970
 - j) Industrial Disputes Act, 1947
 - k) Minimum Wages Act, 1948
 - l) Payment of Bonus Act, 1965
 - m) Industrial Employment (Standing Orders) Act, 1946
 - n) Trade Union Act, 1926
 - o) Workmen Compensation Act, 1923
 - p) Industries (Development & Regulation) Act, 1951
 - q) Employees State Insurance Act, 1948 and all other Labour Laws, Rules and Regulations applicable to the company and all other Labour Laws, Rules and Regulations applicable to the company

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

- (i) Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India.
- (ii) Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:-

- 1) The company was served with a notice from BSE Limited (stock exchange) vide Notice: LIST/ COMP/Reg. 27(2) & Reg. 17 to 21/Dec-19/538566/283/2019-20 on February 03, 2020 for non-compliance with the provisions of Reg. 17(1) of SEBI (Listing obligations & disclosure requirements) Regulations, 2015 for quarter ended December 31, 2019 proposing a penalty of INR. 542800/- (Rupees Five Lakh Forty Two Thousand and Eight Hundred only) on company.

In this regard, the Company had submitted its reply on February 11, 2020 wherein it had requested the stock exchange to review the same since the compliance had already been made. The same is reportedly under consideration with the Exchange. Pending disposal of the application before the Waiver Committee, the Company has already paid the penalty under 'protest'.

- 2) The company was served with a notice from BSE Limited (stock exchange) vide e-mail on July 2, 2020, for non compliance with the provisions of Reg. 17(1) of SEBI (Listing obligations & disclosure requirements) Regulations, 2015 for quarter ended March 31, 2020 proposing a penalty of INR. ₹1,82,900/- (Rupees One Lakh Eighty Two Thousand Nine Hundred) on company.

In this regard, the Company had submitted its reply on July 06, 2020 wherein it had requested the stock exchange to review the same since the compliance had already been made. The same is reportedly under consideration with the Exchange. Pending disposal of the application before the Waiver Committee, the Company has already paid the penalty under 'protest'.

I further report that

Compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit and the same has been subject to review by the Statutory Auditors and others designated professionals.

As per information, explanation and documents provided by the company, the company has an unspent amount of ₹8 Lakhs towards Corporate Social Responsibility during the year pertaining to ongoing projects and the same has been transferred to a separate bank account named "CSR unspent Account 20-21" of the Company on April 30, 2021.

I further report that

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

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that

- (i) The Company has obtained shareholders approval through postal ballot vide postal ballot notice dated March 16, 2020 in respect of following business items:-

- (a) Approval of Apollo Tricoat Tubes Limited Employee Stock Option Scheme – 2019
- (b) Approval of grant of stock options to the employees of holding company and subsidiary company (ies) under Apollo Tricoat Tubes Limited Employee Stock Option Scheme – 2019.
- (c) Approval of grant of employee stock options by way of secondary acquisition under Apollo Tricoat Tubes Limited Employee Stock Option Scheme – 2019.
- (d) Approval for provisioning of money by the company for purchase of its own shares by the trust / trustees for the benefit of employees under Apollo Tricoat Tubes Limited Employee Stock Option Scheme – 2019.
- (e) Appointment of Shri Romi Sehgal as a Director of the Company.
- (f) Appointment of Shri Romi Sehgal as a Whole Time Director of the Company.
- (g) Appointment of Ms. Neeru Abrol as an Independent Director of the Company.

The above proposals were subsequently approved by the members vide resolution passed through postal ballot on April 21, 2020 and the voting results along with the Scrutinizer Report was submitted to exchange on April 23, 2020.

- (ii) The Company has obtained shareholders approval through postal ballot vide postal ballot notice dated October 30, 2020 in respect of following business items:-

- (a) Reclassification of Mr. Saket Agarwal from “Promoter and Promoter Group” Category to “Public” Category.
- (b) Appointment of Shri Vinay Gupta, as Director of the Company.

The above proposals were subsequently approved by the members vide resolution passed through postal ballot on November 30, 2020 and the voting results along with the Scrutinizer Report was submitted to exchange on December 02, 2020.

- (iii) The Company has obtained shareholders approval through postal ballot vide postal ballot notice dated February 17, 2021 in respect of following business items:-

- (a) Approval of Material Related Party Transactions with APL Apollo Tubes Limited.

The above proposals were subsequently approved by the members vide resolution passed through postal ballot on March 20, 2021 and the voting results along with the Scrutinizer Report was submitted to exchange on March 22, 2021.

- (iv) The Company had received a request dated June 1, 2020 from Sh. Saket Agarwal for his reclassification from the existing “Promoters and Promoter Group” Category to “Public” Category of shareholders of the Company, pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. The request was considered by the Board of directors in the Board Meeting held on July 27, 2020.

Subsequently the Company received the approval from BSE Limited vide letter dated January 28, 2021 for reclassification of Mr. Saket Agarwal from ‘Promoter & Promoter group Category’ to ‘Public Category’.

- (v) Ms. Megha Gupta, (DIN: 07869141) Non- Executive Director of the company had tendered her resignation w.e.f. October 23, 2020 and in her place Mr. Vinay Gupta, (DIN: 00005149) was appointed as Additional Director (Non- Executive Category) of the company w.e.f. October 23, 2020.
- (vi) Mr. Vinay Gupta, (DIN: 00005149) was regularized as Director, (Non- Executive Category) of the company with effect from November 30, 2020.
- (vii) The Board of directors in its meeting held on February 27, 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 the same has been reported to the Exchange on February 27, 2021.

This Report is to be read with my letter of even date which is annexed as Annexure 1 and forms an integral part of this Report.

For **Kuldeep Dahiya & Associates**
Company Secretaries

Place: New Delhi
Date: May 3, 2021
UDIN: A034404C000227751

Kuldeep Dahiya
Proprietor
ACS No.: 34404
C P No.: 18930

Annexure 1

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

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

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

For **Kuldeep Dahiya & Associates**
Company Secretaries

Place: New Delhi
Date: May 3, 2021
UDIN: A034404C000227751

Kuldeep Dahiya
Proprietor
ACS No.: 34404
C P No.: 18930

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 2020-21: The ratio of the remuneration of Shri Rahul Gupta, Managing Director to the median remuneration of the employees of the Company is 40:1. 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 2020-21: Nil
- iii. The percentage decrease in the median remuneration of employees for the financial year 2020-21 is 0.01%
- iv. The number of permanent employees on the rolls of the company as on March 31, 2021 is 237.
- v. The average increase in the managerial remuneration for the FY 2020-21 is NIL and the average increase in the salary of employees other than managerial personnel for the FY 2020-21 is NIL. Managerial Personnel includes Chairman, Managing Director, Executive Director, Chief Financial Officer and Company Secretary.
- vi. We affirm that the remuneration paid in the financial year 2020-21 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

Place: Ghaziabad
Date: May 3, 2021

For Apollo Tricoat Tubes Limited
Rahul Gupta
Managing Director

ANNEXURE C

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021

{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
2	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.apollotriccoat.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:
Not Applicable

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

The average Net Profit of three financial years preceding the reporting financial year (i.e. 2019-20, 2018-19 and 2017-18) calculated in accordance with Section 135 of the Companies Act, 2013 is **₹2426.07 Lakh**

7. (a) Two percent of average net profit of the company as per section 135(5): **₹48.52 Lakh**

(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): **₹48.52 Lakh**

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

Total Amount Spent for the Financial Year (in ₹ Lakh)	Amount Unspent (in ₹ Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
41.00	8.52	30.04.2021	NIL	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
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 ₹Lakh)	Amount spent in the current financial Year (in ₹Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹Lakh)	Mode of Implemen- tation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State.	District.					Name	CSR Regis- tration number	
1.	As per details given below*	ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Mahrashtra	Mumbai	3 years	28.00	20.00	8.00	No	JSW Foun- dation, Mumbai	No
TOTAL							28.00	20.00	8.00			

* The Company has entered into an agreement 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.

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project		Amount spent for the project (in ₹ Lakh)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency
				State	District			
1.	For upgradation and modernisation of the infrastructure facilities at the naturopathy centre providing preventive healthcare on charitable basis	(i)	Yes	Delhi	Delhi	6.00	No	Maharaja Agrasen Naturopathy & Yoga Sadhana Research Trust (Balaji Norogdham) - Trust, since 2000
2.	To provide for education and healthcare of deprived children	(i) & (ii).	Yes	Maharashtra	Mumbai	5.00	No	Child Vision Foundation, Trust (since 2014)
3.	To provide for cost of infrastructure and training relating to imparting vocational skills to handicapped children	(ii)	Yes	Delhi	Delhi	10.00	No	Harmonious Children Rehabilitation Association, Regd. Society (Since 2001)
TOTAL						21.00		

(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): **₹41.00 Lakh**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	4852141.00
(ii)	Total amount spent for the Financial Year**	4900000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	47859.00
(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)]	47859.00

Note: ** Includes an amount of ₹8 Lakh earmarked for ongoing projects transferred to Unspent CSR Account in terms of Section 135(6) of the Companies Act, 2013, for the Financial Year 2020-21.

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
- (b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):
Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**): Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not applicable**

For and on behalf of Board of Directors

Rahul Gupta
Managing Director
(DIN: 07151792)

Anil Kumar Bansal
Chairman CSR Committee
(DIN: 06752578)

Place: Ghaziabad
Date: May 3, 2021

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) 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.
 - (b) To know the energy utilisation, the Company has installed the meters on each machine at every mills, to record the energy requirement, basis of which company has analyzed, through the use of various equipments, the percentage of wastage of electricity by the machines and whether to replace or using them in any other manner.
- (ii) The capital investment on energy conservation arrangements: The capital investment on energy conservation equipments for 7MW/10MWp (DC) for its Malur Plant was INR 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 we 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 2020-21
Foreign exchange earnings	0.06
Foreign exchange outgo	14.78

For and on behalf of Board of Directors

Place: Ghaziabad
Date: May 3, 2021

Rahul Gupta
Managing Director
(DIN: 07151792)

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, 2021, 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.apollotriccoat.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, 2021 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

6 (Six) 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: April 30, 2020, July 27, 2020; August 24, 2020, October 23, 2020, January 21, 2021 and February 27, 2021 respectively. 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, 2021 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 six held during the FY 2020-21	Whether attended last AGM held on September 29, 2020	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	6	Yes	-	-	-	-
Mrs. Megha Gupta* (DIN: 07869141)	NE	-	-	-	-	-	-
Mr. Vinay Gupta** (DIN: 00005149)	NE	1	No	5	-	-	APL Apollo Tubes Limited (Category - NE)
Mr. Bharat Bhushan Sahny (DIN: 00014334)	ID	6	Yes	1	2	1	Rama Steel Tubes Limited (Category - ID)
Mr. Anil Kumar Bansal (DIN: 06752578)	ID	6	Yes	3	2	2	- APL Apollo Tubes Limited (Category - ID)
Ms. Neeru Abrol (DIN: 01279485)	ID	6	Yes	5	6	3	- Apollo Pipes Limited (Category - ID) - TCNS Clothing Co. Limited (Category - ID) - APL Apollo Tubes Limited (Category - ID)
Mr Romi Sehgal (DIN: 03320454)	WTD	6	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.

** Appointed as Additional Directors w.e.f. October 23, 2020.

*Resignation tendered by Ms. Megha Gupta on October 23, 2020, due to pre-occupancy elsewhere.

#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.

- During FY 2020-21, 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 2020-21, two meetings of the Independent Directors were held i.e. on January 20, 2021 and February 27, 2021. In the meeting held on January 20, 2021, 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, 2021 are given below::

Name	Category	Number of Equity Shares
Mr Romi Sehgal	Whole Time Director	3969
Mr. Anil Kumar Bansal	Director	800

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://apolotriccoat.com/investors/policies/>. Details of Directors proposed for appointment/re- appointment at the 39th Annual General Meeting (AGM) is provided in the notice convening the 39th AGM.

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, Shri Rahul Gupta
Law	Ms. Neeru Abrol
Sales & Marketing	Shri Rahul Gupta, Shri Romi Sehgal, Shri Vinay Gupta
Operations	Shri Rahul Gupta, Shri Romi Sehgal, Shri Vinay Gupta
Research	Shri Bharat Bhushan Sahny, Ms. Neeru Abrol, Shri Anil Kumar Bansal
Corporate Governance	Shri Anil Kumar Bansal, Ms. Neeru Abrol
Community Service	Shri Bharat Bhushan Sahny, Shri Vinay Gupta, 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:

- Briefing on their role, responsibilities, duties, and obligations as a member of the Board.
- Nature of business and business model of the Company, Company's strategic and operating plans.
- 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.apollotriccoat.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

- There are 4 (four) Board Committees as on March 31, 2021, which comprises of statutory committees that has been formed considering the need 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' 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 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

- Four 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 29, 2020 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

- 1 (One) 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. Executive Director(s). The Remuneration policy is available on <http://apollotriccoat.com/investors/policies/>.

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

o 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 Lakhs)

Particulars	Shri Anil Kumar Bansal	Shri Bharat Bhushan Sahny	Ms. Neeru Abrol	Shri Vinay Gupta*
1 Board/ committee meetings	7.00	4.50	5.00	-
2 Commission	-	-	-	-
3 Others	-	-	-	-
Total	7.00	4.50	5.00	-

* Shri. Vinay Gupta appointed as Director of the Company w.e.f. October 23, 2020.

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.

o 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 2020-21 are as under:

(₹ in Lakhs)

Particulars	Rahul Gupta Managing Director	Romi Sehgal Whole-time Director	Total
1 Gross Salary	120.00	95.95	215.95
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)	120.00	95.95	215.95

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 was 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 2020- 21 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:

Ms. Surbhi Arora
Company Secretary & Compliance Officer
Apollo Tricoat Tubes Limited
36, Kaushambi, Near Anand Vihar Terminal, Ghaziabad-201010
Telephine: +91-120-4041400 Email: info@apollotriccoat.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://apollotriccoat.com/wp-content/uploads/2021/07/CSR-Policy_Triccoat.pdf.

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.apollotriccoat.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

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 Responsibility Committee
No. of meetings held	6	1	1	1
Date of Meetings	April 30, 2020, July 27, 2020; August 24, 2020, October 23, 2020, January 21, 2021 and February 27, 2021	October 23, 2020	January 20, 2021	January 21, 2021
Number of meetings attended				
Sh. Rahul Gupta	6	NA	NA	-
Sh. Bharat Bhushan Sahny	NA	1	NA	NA
Ms. Megha Gupta*	NA	NA	-	NA
Sh. Anil Kumar Bansal	6	1	1	1
Ms. Neeru Abrol	6	1	1	1
Sh. Romi Sehgal	NA	NA	1	NA
Sh. Vinay Gupta**	NA	NA	NA	NA

Notes: **Appointed as Additional Directors w.e.f. October 23, 2020.

*Resignation tendered by Ms. Megha Gupta on October 23, 2020, due to pre-occupancy elsewhere.

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
2019-20	38	Saturday, 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.
2017-18	36	Saturday, September 29, 2018 at 4:00 PM	IMA-East Delhi, Building 35-X, Institutional Area, Karkardooma, Delhi-110092	-Appointment of Sh. Rahul Gupta as Managing Director of the Company.

(ii) Ordinary Resolution passed through Postal Ballot during Financial Year 2020-21

Description (Nature of Resolution)	Date of Notice	Date of Dispatch of Postal Ballot Forms to Members	Last date for receiving the Postal Ballot forms including e-voting	Date of passing resolution
1) Re-classification of Mr. Saket Agarwal from "Promoter and Promoter Group" Category to "Public" Category 2) Appointment of Shri Vinay Gupta as Director of the Company	October 30, 2020	October 30, 2020	November 30, 2020	November 30, 2020
Approval of Material Related Party Transactions with APL Apollo Tubes Limited	February 17, 2021	February 18, 2021	March 20, 2021	March 20, 2021

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

(iii) Procedure followed in above postal ballot is as under

– The notices containing the proposed resolutions and explanatory statement were sent to the shareholders by email in accordance with MCA General Circular No.14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020. The e-voting period was for 30 days from dispatch of notice. The Scrutinizer submitted the report to the Company. The voting results were announced within 48 hours of end of the e-voting period. For e-voting, the company is having agreement with Central Depository Services Limited ('CDSL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

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

No extra-ordinary general meeting of the members was held during the financial year 2020-21.

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

(vi) 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"**.

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

I 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 me 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 my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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	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. My responsibility is to express an opinion on these based on my 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

Date: May 3, 2021
Place: Delhi
 UDIN: F006628C000227631

Anjali Yadav
Proprietor
 FCS No.: 6628
 C P No.: 7257
 PR: 629/2019

(vii) 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	<p>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.</p> <p>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.</p>	http://apollotricoat.com/wp-content/uploads/2020/11/Related-Party-Transaction-Policy.pdf
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Regulation 17 of SEBI Listing Regulations	<p>The company was served with a notice from BSE Limited (stock exchange) vide e-mail on July 2, 2020, for non compliance with the provisions of Reg. 17(1) of SEBI (Listing obligations & disclosure requirements) Regulations, 2015 for quarter ended March 31, 2020 proposing a penalty of INR. ₹1,82,900/- (Rupees One Lakh Eighty Two Thousand Nine Hundred) on company.</p> <p>The non-compliance was made good w.e.f. February 1, 2020. However, since the stock exchanges review the compliances quarter-wise, fines were levied separately for the period pertaining to December 2019 quarter (which was reported in the last years' report) and the period pertaining to March 2020 quarter. The Company in its reply dated July 06, 2020, to the letter of Stock Exchange levying fine for the March 2020 quarter, reiterated that the compliance had already been made and requested waiver of fine by the Stock Exchange.</p> <p>Pending confirmation from the stock exchange on waiver request, further the company has made payment of fine "under protest" to the stock exchange on 07.01.2021. The Company was following up with stock exchange for expediting the disposal of its request by the waiver committee</p> <p>Except the above, there was no instances of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets.</p>	NA
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<p>* The auditors' report on financial statements of the Company are unqualified.</p> <p>* Internal auditors of the Company, make quarterly presentations to the audit committee on their reports.</p>	
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/wp-content/uploads/2020/11/MATERIALITY-POLICY.pdf
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/

Contd..

Particulars	Regulations	Details	Website link of details/policy
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.	
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, 2021. 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://apollotriccoat.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, 2021	
CEO & CFO Certification	Regulation 17(8) Read with Schedule II of Part B of SEBI Listing Regulations	Shri Rahul Gupta, Managing Director and Shri Nandlal Bansal, 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://apollotriccoat.com/wp-content/uploads/2020/10/Code-of-conduct-for-senior-management.pdf

*Disclosures related with Credit Rating, Whistle Blower Policy and Sexual Harrassment 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.apollotriccoat.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.apollotriccoat.com before it has been released to the media.

iii. Presentations to analysts:

Five presentations were made to analysts/investors during the financial year 2020-21. 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 Lakhs)

Type of Services	FY 20-21	FY 19-20
Audit fees	14.00	1.00
Taxation matters	-	1.00
Others	0.08	0.50
Total	14.08	2.50

General Shareholders' Information

Financial Year : 2020-21

Financial Calendar (tentative and subject to change)

Period	Board Meetings*
Unaudited results for first quarter ended June 30, 2021	On or before August 14, 2021
Unaudited results for second quarter/ half year ended September 30, 2021	On or before November 14, 2021
Unaudited results for the third quarter/ nine months ended December 31, 2021	On or before February 14, 2022
Audited results for the fourth quarter and year ended March 31, 2022	On or before May 30, 2022

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

Date of Book Closure/Record Date	: As mentioned in the Notice of this AGM
Listing on Stock Exchanges	: BSE Limited 25 th Floor, 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 1 st 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.:

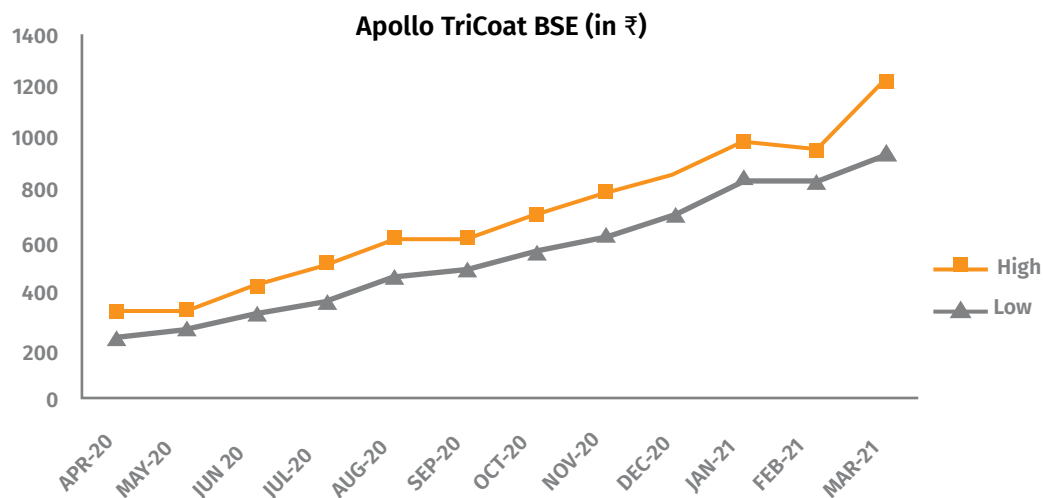
- Bigshare Services Private Limited , 302, Kushal Bazar, 32-33, Nehru place New, Delhi-110019
Tel No. 011-42425004
Email Id: bssdelhi@bigshareonline.com

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. 3,03,97,250 Equity shares of the Company representing 99.99 percent of the Company's equity share capital are dematerialized as on March 31, 2021.
Outstanding ADRs/GDRs	: The Company has not issued any GDRs/ADRs in the past and hence as on March 31, 2021, 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 2020-21 on BSE:

Month & Year	High	Low	Total number of equity shares traded
April, 2020	341.00	246.50	753755
May, 2020	344.80	283.40	2137675
June, 2020	428.60	340.00	1668681
July, 2020	515.00	381.20	1620727
August, 2020	618.00	470.25	1357504
September, 2020	619.00	507.00	1503498
October, 2020	699.50	566.10	1902472
November, 2020	793.40	627.10	1310559
December, 2020	864.00	712.10	4042857
January, 2021	984.00	850.00	1899404
February, 2021	945.90	840.10	2018920
March, 2021	1210.00	941.00	1957611



Distinctive Shareholding as on March 31, 2021

Shareholding of Nominal	Numbers of Shareholders	Percentage of Total	Shares	Percentage of total
Up to 500	6875	82.73	654982	2.16
Up to 500	21960	92.49	1756672	5.78
501-1000	737	3.10	547850	1.80
1001-2000	447	1.88	658625	2.17
2001-3000	184	0.78	471870	1.55
3001-4000	83	0.35	294451	0.97
4001-5000	64	0.27	291505	0.96
5001-10000	130	0.55	946070	3.11
10000 & above	137	0.58	25432957	83.66
TOTAL	23742	100	30400000	100

b. Categories of equity Shareholding as on March 31, 2021:

Category	Number of equity shares held	Percentage to holding
Promoters	16970000	55.82
Other Entity to the Promoter Group	-	-
Public Individual	9827614*	32.33
Foreign Portfolio Investors		1.54
Financial Institutions	24	0.00
Alternate Investment Fund	14055	0.05
Bodies Corporate	1564858	5.15
HUF	322973	1.06
Mutual Fund	465415	1.53
Non Resident Indian	533426	1.75
Clearing Member/Trust/Firm	233890	0.77
TOTAL	3,04,00,000	100

* Shri Saket Agarwal categorized under 'Public Category' of shareholder from 'Promoter & Promoter Category' of Shareholder on January 28, 2021 as the confirmation received from BSE Limited for the application made on December 3, 2020.

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. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

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 dividend in any financial year 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 Nos 28 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, Gautam Budh 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

**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.apollotriccoat.com).

I confirm that the Company has in respect of the year ended March 31, 2021, 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, 2021.

For and on behalf of Board of Directors

Date: May 3, 2021
Place: Ghaziabad

Rahul Gupta
Managing Director

ANNEXURE 'F3'**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, 2021 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 ("SEBI Listing Regulations") of the said 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 given to us and the representations made by the Directors and Management and after considering the relaxations granted in compliance timelines by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to spread of the Covid-19 pandemic, 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.

For Anjali Yadav & Associates
Company Secretaries

Date: May 3, 2021

Place: Delhi

UDIN: F006628C000227618

Anjali Yadav
Proprietor

FCS No.: 6628

C P No.: 7257

PR: 629/2019

NOTE: We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 and subsequent lockdown situation for the purpose of issuing this certificate.

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.apollotriccoat.com
5	E-mail id	info@apollotriccoat.com
6	Financial year reported	2020-21
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	₹608 Lakhs
2	Total turnover	₹1,47,281.05 Lakhs
3	Total profit after taxes	₹10,501.10 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹49 Lakh including funds transferred to separate bank account (2%) The major activities in which the CSR activities will be undertaken by the company include:

- | | | |
|---|--|--|
| 5 | List of activities in which expenditure in 4 above has been incurred:- | <ul style="list-style-type: none"> • 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 Nandlal Bansal
2. Designation	Chief Financial Officer
3. Telephone number	0120-4742700
4. e-mail id	nandlalbansal@apollotriccoat.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.								

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent evaluation of the audit/ working of this policy by an internal or external agency?	Yes, the Independent agency's evaluation work is ongoing.								

* These Policies have been signed by MD

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.apollotriccoat.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 2020-21.

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: 462
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 225
3. Please indicate the Number of permanent women employees: 1
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	Child labour/forced labour/involuntary labour	Nil	Nil
B	Sexual harassment	Nil	Nil
C	Discriminatory employment	Nil	Nil

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

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

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

1. Has the Company mapped its internal and external stakeholders?

Yes, the company has identified key stakeholder groups and mapped its internal and external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders

Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders viz. village communities in the vicinity of the manufacturing plants and the contractual workers.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

The Company proactively engages with and responds to those sections in the society that are disadvantaged, vulnerable and marginalized.

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. (<http://apollotriccoat.com/resource-library/>)

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 2020-21 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 2020-21.

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 local 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

Date: May 3, 2021
Place: Ghaziabad

Rahul Gupta
Managing Director
(DIN: 07151792)

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Apollo Tricoat Tubes Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Apollo Tricoat Tubes Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement 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 financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, 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 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 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
<p>Revenue Recognition</p> <p>Revenue for the Company consists primarily of sale of steel tubes and GP coils recognized in accordance with the accounting policy described in Note (i) to the accompanying financial statements. Refer Note 26 for details of revenue recognized during the year.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Further, there were considerable auditor efforts involved in testing of revenue transactions recorded during the year due to the large volume involved.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<p>In view of the significance of the matter, the following key audit procedures were performed by us:</p> <ul style="list-style-type: none"> 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. 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

- The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Director’s Report, but does not include the financial statements and our auditor’s report thereon. The Management Discussion and Analysis, Report on Corporate Governance and Director’s Report is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the Annual 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 Financial Statements

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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, 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 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
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 financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, VAPS & Company, who have expressed an unmodified opinion on those financial statements vide their audit report dated 30 April 2020.

Report on Other Legal and Regulatory Requirements

16. 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.
17. As required by the Companies (Auditor's Report) Order, 2016 ('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.
18. 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 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 financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid 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 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 03 May 2021 as per Annexure B expressed 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 2021;
 - 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 2021;
 - 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 2021; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

Place: New Delhi
Date: 3 May 2021

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 21502103AAAAAU8232

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (including right-of-use assets).
- (b) The Company has a regular program of physical verification of its property, plant and equipment (including right-of-use assets) under which property, plant and equipment (including right-of-use assets) are verified in a phased manner over a period of 2 years, 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 (including 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 (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) 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 under sub-section (1) of Section 148 of the Act in respect of Company's products 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) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and

other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax and goods and services tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 21502103AAAAAU8232

Place: New Delhi
Date: 3 May 2021

ANNEXURE B

TO THE INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report on the internal financial controls with reference to the 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 financial statements of Apollo Tricoat Tubes Limited ('the Company') as at and for the year ended 31 March 2021, 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 (the '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 Institute of Chartered Accountants of India ('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 on Audit of Internal Financial Controls Over Financial Reporting ('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 2021, 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 issued by the 'ICAI'.

Place: New Delhi
Date: 03 May 2021

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013
Neeraj Sharma
Partner
Membership No.: 502103
UDIN: 21502103AAAAAU8232

BALANCE SHEET

AS AT MARCH 31, 2021

(Amount in ₹ Lakhs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	32,293.48	28,811.16
(b) Capital work-in-progress		1,238.54	136.17
(c) Intangible assets	3	21.17	33.94
(d) Right of use assets	37	1,346.66	1,363.85
(e) Financial assets			
(i) Other financial assets	4	175.33	175.54
(f) Other non-current assets	5	339.85	1,072.20
Total non-current assets		35,415.03	31,592.86
(2) Current assets			
(a) Inventories	6	6,438.75	7,678.77
(b) Financial assets			
(i) Trade receivables	7	1,162.51	3,794.21
(ii) Cash and cash equivalents	8	979.83	476.14
(iii) Loans	9	4.88	12.89
(iv) Other financial assets	10	39.62	1.00
(c) Other current assets	11	1,601.79	1,951.67
Total current assets		10,227.38	13,914.68
Total assets		45,642.41	45,507.54
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	12	608.00	608.00
(b) Other equity	13	29,817.59	19,346.76
Total equity		30,425.59	19,954.76
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	4,898.91	9,820.00
(ii) Lease liabilities	15	-	3.60
(b) Provisions	16	87.63	28.37
(c) Deferred tax liabilities (net)	17	1,212.48	767.11
(d) Other non-current liabilities	18	2,073.81	1,686.93
Total non-current liabilities		8,272.83	12,306.01
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	456.48
(ii) Trade payable	20		
-Total outstanding dues of micro and small enterprises		80.40	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		3,309.11	11,243.12
(iii) Lease liabilities	21	5.71	5.40
(iv) Other financial liabilities	22	1,510.31	1,160.06
(b) Other current liabilities	23	1,842.28	219.84
(c) Provisions	24	26.10	9.98
(d) Current tax liabilities (net)	25	170.08	151.89
Total current liabilities		6,943.99	13,246.77
Total equity and liabilities		45,642.41	45,507.54

See accompanying notes to the financial statements 1-47
As per our report of even date attached.

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

Neeraj Sharma
Partner
Membership No. 502103

Place : New Delhi
Date : May 3, 2021

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Ltd.

Rahul Gupta
Managing Director
DIN: 07151792

Nandlal Bansal
Chief Financial Officer

Place : Ghaziabad
Date : May 3, 2021

Romi Sehgal
Whole Time Director
DIN: 03320454

Surbhi Arora
Company Secretary
Membership No. A33370

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ Lakhs)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
I Revenue from operations	26	1,47,281.05	66,325.06
II Other income	27	179.64	113.97
III Total income (I +II)		1,47,460.69	66,439.03
IV Expenses			
(a) Cost of materials consumed	28	1,08,721.47	51,058.78
(b) Purchase of stock-in-trade		12,286.07	4,910.89
(c) Changes in inventories of finished goods, stock-in-trade and rejection and scrap	29	(773.04)	(2,235.70)
(d) Employee benefits expense	30	1,904.62	1,211.73
(e) Finance costs	31	970.28	601.10
(f) Depreciation and amortisation expense	32	1,652.74	1,012.91
(g) Other expenses	33	8,773.45	3,955.51
Total expenses		1,33,535.59	60,515.22
V Profit before tax (III - IV)		13,925.10	5,923.81
VI Tax expense:			
(a) Current tax		3,024.91	977.85
(b) Deferred tax	17	455.65	719.64
(c) Adjustment of tax relating to earlier periods		(56.56)	-
Total tax expense	35	3,424.00	1,697.49
VII Profit for the year (V-VI)		10,501.10	4,226.32
VIII Other comprehensive income			
Items that will not be reclassified to profit and loss			
(a) Remeasurements of post employment benefit obligation		(40.45)	(2.09)
(b) Income tax relating to above item		10.18	0.53
Other comprehensive income for the year		(30.27)	(1.56)
IX Total comprehensive income for the year (VII+VIII)		10,470.83	4,224.76
X Earnings per equity share of face value of ₹ 2 each			
(a) Basic (in ₹)	36	34.54	14.01
(b) Diluted (in ₹)	36	34.54	14.01

See accompanying notes to the financial statements 1-47
 As per our report of even date attached.

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

Neeraj Sharma
 Partner
 Membership No. 502103

Place : New Delhi
 Date : May 3, 2021

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Ltd.

Rahul Gupta
 Managing Director
 DIN: 07151792

Nandlal Bansal
 Chief Financial Officer

Place : Ghaziabad
 Date : May 3, 2021

Romi Sehgal
 Whole Time Director
 DIN: 03320454

Surbhi Arora
 Company Secretary
 Membership No. A33370

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Net profit before tax	13,925.10	5,923.81
Adjustments for		
Depreciation and amortisation expense	1,652.74	1,012.91
Profit on sale of property, plant and equipment	(0.06)	-
Bad debts written off	1.16	-
Unrealized (gain)/loss on foreign exchange fluctuations	(2.95)	0.90
Finance cost	970.28	601.10
Interest income	-	(17.73)
Unwinding of deferred income	(102.47)	(79.19)
Operating profit before working capital changes	16,443.80	7,441.80
Changes in working capital:		
Adjustment for (increase)/decrease in operating assets:		
Inventories	1,240.02	(6,890.03)
Trade receivables	2,630.53	(3,641.05)
Current loans and other financial assets	(30.62)	483.89
Non-current other financial assets	0.21	(90.22)
Other current assets	349.89	(907.17)
Other non-current assets	7.98	1,318.95
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	(7,850.66)	11,121.94
Other current liabilities	1,602.85	(1,597.54)
Other current financial liabilities	-	(100.00)
Provisions	34.92	30.97
Cash generated from operations	14,428.92	7,171.54
Net income tax paid	(2,950.25)	(850.50)
Net cash flow from operating activities (A)	11,478.67	6,321.04
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets*	(5,024.87)	(13,427.59)
Proceeds from sale of property, plant and equipment	59.11	-
Interest received	-	17.73
Net cash flow used in investing activities (B)	(4,965.76)	(13,409.86)
Cash flow from financing activities		
Proceeds from / (repayment) of current borrowings (net)	(456.48)	(2,090.88)
Proceeds from issue of equity share capital	-	2,430.00
Finance charges paid	(952.22)	(563.89)
Payment of lease liabilities	(3.84)	(5.40)
Repayment of long-term borrowings	(11,201.68)	(209.35)

Contd..

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Receipts from long-term borrowings	6,605.00	8,000.00
Net cash flow (used in)/ generated from financing activities (C)	(6,009.22)	7,560.48
Net increase in cash and cash equivalents (A+B+C)	503.69	471.66
Cash and cash equivalents at the beginning of the year	476.14	4.48
Cash and cash equivalents at the end of the year	979.83	476.14
Cash and cash equivalents comprises		
Cash in hand	0.17	1.38
Balance with scheduled banks		
-In current accounts	979.66	474.76
Total cash and cash equivalents	979.83	476.14

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

Refer note 44 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".

The above statement of cash flows should be read in conjunction with the accompanying notes.

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 : New Delhi
 Date : May 3, 2021

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Ltd.

Rahul Gupta
 Managing Director
 DIN: 07151792

Nandlal Bansal
 Chief Financial Officer

Place : Ghaziabad
 Date : May 3, 2021

Romi Sehgal
 Whole Time Director
 DIN: 03320454

Surbhi Arora
 Company Secretary
 Membership No. A33370

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

(a) Equity share capital

(Amount in ₹ Lakhs)

Particulars	Amount
Balance as at March 31, 2019	554.00
Changes during the year ended March 31, 2020	54.00
Balance as at March 31, 2020	608.00
Changes during the year ended March 31, 2021	-
Balance as at March 31, 2021	608.00

(b) Other equity

(Amount in ₹ Lakhs)

Particulars	Reserves and surplus				Total
	Securities premium	Money received against share warrant	Capital reserve	Retained earnings	
Balance as at April 01, 2019	10,856.00	840.00	-	1050.00	12,746.00
Profit for the year ended March 31, 2020	-	-	-	4,226.32	4,226.32
Other comprehensive income for the year (net of tax)	-	-	-	(1.56)	(1.56)
Share issued during the year	3,186.00	(810.00)	-	-	2,376.00
Share warrants forfeited during the year	-	(30.00)	30.00	-	-
Opening balance as at April 01, 2020	14,042.00	-	30.00	5,274.76	19,346.76
Profit for the year ended March 31, 2021	-	-	-	10,501.10	10,501.10
Other comprehensive income for the year (net of tax)	-	-	-	(30.27)	(30.27)
Balance as at March 31, 2021	14,042.00	-	30.00	15,745.59	29,817.59

The accompanying notes form an integral part of these financial statements.

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 : New Delhi
Date : May 3, 2021

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Ltd.

Rahul Gupta
Managing Director
DIN: 07151792

Nandlal Bansal
Chief Financial Officer

Place : Ghaziabad
Date : May 3, 2021

Romi Sehgal
Whole Time Director
DIN: 03320454

Surbhi Arora
Company Secretary
Membership No. A33370

NOTES TO FINANCIAL STATEMENTS

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, 2021 were approved by the Board of Directors and authorized for issue on May 3, 2021.

(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, 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.

NOTES TO 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.

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).

NOTES TO FINANCIAL STATEMENTS

(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

NOTES TO FINANCIAL STATEMENTS

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.

NOTES TO FINANCIAL STATEMENTS

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.

NOTES TO FINANCIAL STATEMENTS

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

Rejection and scrap

Rejection and scrap are valued at net realisable value.

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

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

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

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future

economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

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

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

The Company has a policy of capitalizing insurance spares having value more than or equal to ₹ 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- 10 to 60 years

NOTES TO FINANCIAL STATEMENTS

- (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 and server- 3 to 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:

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(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

NOTES TO FINANCIAL STATEMENTS

demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(t) Borrowing costs

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

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

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

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

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

A. Investments and other financial assets

(i) Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in the statement of profit

or loss or other comprehensive income.

The classification criteria of the Company for debt and equity instruments is provided as under:

(a) Debt instruments

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

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

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

(b) Equity instruments

The equity instruments can be classified as:

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

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

(ii) Measurement

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

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Debt instruments

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

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

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

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and

presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Investment in equity shares

The Company subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 42 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

NOTES TO FINANCIAL STATEMENTS

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

NOTES TO FINANCIAL STATEMENTS

than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss as other income or finance costs.

(t) Offsetting financial instruments

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

(u) Segment information

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

(v) Rounding off amounts

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

(w) Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 01, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and

NOTES TO FINANCIAL STATEMENTS

financial institutions, then disclosure of details of where it has been used.

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

-Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

- The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

NOTES TO FINANCIAL STATEMENTS

Note 2 : Property, plant and equipment

(Amount in ₹ Lakhs)

	As at March 31, 2021	As at March 31, 2020
Carryings amounts of :		
Freehold land	1,429.46	1,429.46
Building	5,599.02	5,494.03
Furniture and fixtures	93.10	69.86
Plant and machinery	24,906.84	21,666.26
Office equipment	91.41	109.27
Vehicles	173.65	42.28
	32,293.48	28,811.16

(Amount in ₹ Lakhs)

Particulars	Freehold land	Buildings	Furniture and fixtures	Plant and machinery	Office equipment	Vehicles	Total
Year ended March 31, 2020							
Gross carrying amount							
Opening gross carrying amount	2,025.14	806.40	32.21	6,595.68	33.50	27.11	9,520.04
Additions for the year	-	4,232.03	47.95	15,952.78	95.30	31.30	20,359.36
Transfer (regrouping of assets)	(595.68)	-	-	-	-	-	(595.68)
Addition (regrouping of assets)	-	595.68	-	-	-	-	595.68
Reclassification on account of adoption of Ind AS 116	-	-	-	-	-	(11.58)	(11.58)
Closing gross carrying amount	1,429.46	5,634.11	80.16	22,548.46	128.80	46.83	29,867.82
Accumulated depreciation							
Opening accumulated depreciation	-	27.35	5.13	37.16	2.42	1.19	73.25
Depreciation charge for the year	-	112.73	5.18	845.04	17.10	3.80	983.85
Reclassification on account of adoption of Ind AS 116	-	-	-	-	-	(0.44)	(0.44)
Closing accumulated depreciation	-	140.08	10.31	882.20	19.52	4.55	1,056.66
Net carrying amount as on March 31, 2020	1,429.46	5,494.03	69.85	21,666.26	109.28	42.28	28,811.16
Year ended March 31, 2021							
Gross carrying amount							
Opening gross carrying amount	1,429.46	5,634.11	80.16	22,548.46	128.80	46.83	29,867.82
Additions for the year	-	304.11	32.49	4,669.06	13.96	141.10	5,160.72
Disposals for the year	-	-	-	(62.24)	-	-	(62.24)
Closing gross carrying amount	1,429.46	5,938.22	112.65	27,155.28	142.76	187.93	34,966.30
Accumulated depreciation							
Opening accumulated depreciation	-	140.08	10.31	882.20	19.52	4.55	1,056.66
Reversal on disposals for the year	-	-	-	(3.19)	-	-	(3.19)
Depreciation charge for the year	-	199.12	9.24	1,369.43	31.83	9.73	1,619.35
Closing accumulated depreciation	-	339.20	19.55	2,248.44	51.35	14.28	2,672.82
Net carrying amount as on March 31, 2021	1,429.46	5,599.02	93.10	24,906.84	91.41	173.65	32,293.48

NOTES TO FINANCIAL STATEMENTS

Note 3 : Intangible assets

(Amount in ₹ Lakhs)

Particulars	Computer software
Year ended March 31, 2020	
Gross carrying amount	
Opening gross carrying amount	28.08
Additions for the year	19.50
Closing gross carrying amount	47.58
Accumulated amortisation	
Opening accumulated amortisation	1.85
Amortisation for the year	11.79
Closing accumulated amortisation	13.64
Net carrying amount as on March 31, 2020	33.94
Year ended March 31, 2021	
Gross carrying amount	
Opening gross carrying amount	47.58
Additions for the year	3.43
Closing gross carrying amount	51.01
Accumulated amortisation	
Opening accumulated amortisation	13.64
Amortisation for the year	16.20
Closing accumulated amortisation	29.84
Net carrying amount as on March 31, 2021	21.17

Note 4 : Other financial assets (non- current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Security deposit	175.33	175.54
Total	175.33	175.54

Note 5 : Other non-current assets

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
(a) Capital advances	327.91	1,052.28
(b) Prepaid expenses	11.94	19.92
Total	339.85	1,072.20

Note 6 : Inventories (refer note 1 (I))

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw material (including stock-in-transit)	2,678.96	4,526.32
Finished goods (including stock-in-transit)	3,065.14	2,217.43
Stores and spares	619.40	785.10
Rejection and scrap (including stock-in-transit)	75.25	149.92
Total	6,438.75	7,678.77

Notes :

- (i) Cost of inventory recognised as expense during the year amounted to ₹ 1,22,723.90 Lakhs (March 31, 2020 : ₹54,310.04 Lakhs).
- (ii) Details of stock-in-transit
- | | | |
|---------------------|----------|-------|
| Raw material | 84.18 | - |
| Finished goods | 1,217.53 | 98.54 |
| Rejection and scrap | 6.72 | - |

NOTES TO FINANCIAL STATEMENTS

Note 7 : Trade receivables

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
(i) Related parties (Refer note 38)	142.13	227.34
(ii) Other than related parties	1,020.38	3,566.87
Total	1,162.51	3,794.21

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

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021
Customer A	177.92
Customer B	170.39
Customer C	132.74
Customer D	130.06
	611.11

% of total trade receivables 52.57%

(Amount in ₹ Lakhs)

Particulars	As at March 31, 202
Customer A	1,356.55
Customer B	832.10
	2,188.65

% of total trade receivables 57.68%

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

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021		
	Gross credit risk	Allowance for credit losses (refer note 42 (b))	Net credit risk
Amounts not yet due	1,020.43	-	1,020.43
0-90 days overdue	142.08	-	142.08
	1,162.51		1,162.51

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2020		
	Gross credit risk	Allowance for credit losses (refer note 42 (b))	Net credit risk
Amounts not yet due	3,639.62	-	3,639.62
0-90 days overdue	152.62	-	152.62
91-180 days overdue	0.81	-	0.81
181-270 days overdue	-	-	-
271-365 days overdue	1.16	-	1.16
	3,794.21		3,794.21

NOTES TO FINANCIAL STATEMENTS

Note 8 : Cash and cash equivalents

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	0.17	1.38
Balances with banks -current accounts	979.66	474.76
Total	979.83	476.14

Note 9 :Loans (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Loans to employees	4.88	12.89
Total	4.88	12.89

Note 10 : Other financial assets (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Security deposit	1.00	1.00
Claim receivables	38.62	-
Total	39.62	1.00

Note 11 : Other current assets

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	5.81	22.37
Balances with government authorities	-	1,701.28
Sales tax appeal		13.12
Considered doubtful	13.12	-
Less : Provision made during the year	(13.12)	-
Advances to suppliers	1,595.97	212.24
Advances to employees	0.01	2.66
Total	1,601.79	1,951.67

Note 12 : Equity share capital

(₹ in Lakhs, except otherwise stated)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
(a) Share capital				
(i) Authorised capital				
Equity shares of ₹ 2 each	3,25,00,000	650.00	3,25,00,000	650.00
	3,25,00,000	650.00	3,25,00,000	650.00
(ii) Issued capital				
Equity shares of ₹ 2 each	3,04,00,000	608.00	3,04,00,000	608.00
	3,04,00,000	608.00	3,04,00,000	608.00
(iii) Subscribed and fully paid up capital				
Equity shares of ₹ 2 each with voting rights	3,04,00,000	608.00	3,04,00,000	608.00
	3,04,00,000	608.00	3,04,00,000	608.00

NOTES TO FINANCIAL STATEMENTS

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights Outstanding at the beginning of the year	3,04,00,000	608.00	2,77,00,000	554.00
Add: Issued during the year	-	-	27,00,000	54.00
Outstanding at the end of the year	3,04,00,000	608.00	3,04,00,000	608.00

(c) Detail of shareholder holding more than 5% shares of the Company: *

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% of holding	Number of shares held	% of holding
Saket Agarwal	-	-	35,48,321	11.67
Shri Lakshmi Metal Udyog Limited (Holding Company)	1,69,70,000	55.82	1,54,60,000	50.86

* As per the records of the Company including its register of member.

(d) Rights, preferences and restrictions attached to equity shares

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

(e) During the quarter ended December 31, 2018, Shri Lakshmi Metal Udyog Limited ('SLMUL'), a wholly owned subsidiary of the APL Apollo Tubes Limited entered into a share purchase agreement for the acquisition of 80,30,030 equity shares and options attached to 43,00,000 warrants of Apollo Tricoat Tubes Limited ('the Company'). Pursuant to the said agreement, SLMUL made an open offer, which got completed on February 01, 2019. During the offer period, SLMUL acquired 13,25,000 equity shares from open market and 15,36,209 equity shares were tendered under open offer, aggregating to 28,61,209 equity shares, representing 10.33 % of the paid up share capital of the Company as on March 31, 2019. During the quarter ended June 30, 2019, SLMUL, under the above Share purchase agreement completed the acquisition of 80,30,030 equity shares and options attached to 43,00,000 warrants of the Company. Further the warrants were converted into equity shares. On completion and transfer of shares on June 17, 2019, SLMUL, held 1,51,91,239 equity shares representing 50.56% of paid up share capital of the Company. Accordingly, the Company became a subsidiary of SLMUL with effect from June 17, 2019.

Subsequent to June 17, 2019, SLMUL further acquired 17,78,761 equity shares of the Company. As at March 31, 2021, SLMUL holds 1,69,70,000 equity shares representing 55.82% of paid up share capital of the Company.

Note 13 : Other equity

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium	14,042.00	14,042.00
Retained earnings	15,745.59	5,274.76
Capital reserve	30.00	30.00
Share warrants outstanding account	-	-
Total	29,817.59	19,346.76

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(1) Securities premium		
Balance at the beginning of the year	14,042.00	10,856.00
Add: addition during the year	-	3,186.00
Balance at the end of the year	14,042.00	14,042.00
(2) Retained earnings		
Balance at the beginning of the year	5,274.76	1,050.00
Add: addition during the year	10,470.83	4,224.76
Balance at the end of the year	15,745.59	5,274.76
(3) Capital reserve		
Balance at the beginning of the year	30.00	-
Add: addition during the year	-	30.00
Balance at the end of the year	30.00	30.00
(4) Share warrants outstanding account		
Balance at the beginning of the year	-	840.00
Less: share issued during the year	-	(840.00)
Balance at the end of the year	-	-

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.

(v) Share warrants outstanding account: Share warrant issued in earlier years were converted into equity shares.

Note 14 : Borrowings (non- current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Term loan:		
- From bank		
Secured (refer note below)	4,898.91	9,820.00
Total	4,898.91	9,820.00

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-current borrowing	Current maturities of non-current borrowings	Non-current borrowing	Current maturities of non-current borrowings
Term loan from bank are secured as follows:				
Term loan -1	3,750.00	1,000.00	5,070.00	730.00
Term loan facilities are secured by first charge through equitable mortgage of the Company land and building situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh. Term loan facilities are secured by first charge on building and second charge on land situated at Malur, Kolar, Karnataka. Term Loan facilities are further secured by way of first charge on entire present and future movable property, plant and equipment of the Company situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Credit facilities are further secured by second charge on the entire present and future current assets of the Company, by personal guarantee of Mr. Sanjay Gupta and corporate guarantee of APL Apollo Tubes Limited ultimate holding Company. The loan outstanding is repayable in 19 quarterly installments commencing from June 2021 and ending in December 2025. Applicable Rate of Interest is 7.25% p.a. (linked with 6 month MCLR) (March 31, 2020: 9.35% p.a. (linked with 1 year MCLR)).				
Term loan -2	1,145.72	302.86	4,750.00	250.00
Term loan facilities are secured by first charge through equitable mortgage of the Company land and building situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh. Term loan facilities are secured by first charge on building and second charge on land situated at Malur, Kolar, Karnataka. Term Loan facilities are further secured by way of first charge on entire present and future movable property, plant and equipment of the Company situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Credit facilities are further secured by second charge on the entire present and future current assets of the Company, by personal guarantee of Mr. Sanjay Gupta and corporate guarantee of APL Apollo Tubes Limited ultimate holding Company. The loan outstanding is repayable in 9 unequal half yearly installments commencing from May 2021 and ending in May 2025. Applicable rate of interest is 7.25% p.a. (linked with 6 month MCLR) (March 31, 2020: 9.35% p.a. (linked with 1 year MCLR)).				
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, 2021 there were 34 installments outstanding. Applicable rate of interest is 7.75% p.a.	3.19	1.56	-	-

Note 15 : Lease liabilities (non- current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
On account of		
- Building	-	0.85
-Vehicle	-	2.75
Total	-	3.60

Note 16 : Provisions (non- current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for compensated absences	40.42	14.72
Provision for gratuity (refer note 40)	47.21	13.65
Total	87.63	28.37

NOTES TO FINANCIAL STATEMENTS

Note 17 : Deferred tax liabilities / assets (net)

(Amount in ₹ Lakhs)

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

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Deferred tax liabilities on account of :		
- Property, plant and equipment and intangible assets	1,244.50	776.77
Total deferred tax liabilities (A)	1,244.50	776.77
(ii) Deferred tax assets on account of :		
- Provision for employee benefit expenses	28.72	9.66
- Provision for sales tax	3.30	-
Total deferred tax assets (B)	32.02	9.66
Deferred tax liabilities (net)[A-B]	1,212.48	767.11

(b) Movement in deferred tax liabilities / asset

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2019	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2020
Deferred tax liabilities (A)				
Property, plant and equipment and intangible assets	122.25	654.52	-	776.77
Total	122.25	654.52	-	776.77
Deferred tax assets (B)				
Provision for employee benefit expenses	1.47	7.66	0.53	9.66
Minimum alternate Tax	72.78	(72.78)	-	-
Total	74.25	(65.12)	0.53	9.66
Deferred tax liabilities (Net - A-B)	48.00	719.64	(0.53)	767.11

Movement in deferred tax liabilities / asset

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2020	Recognised in profit and loss	Recognised in other comprehensive income	As at March 31, 2021
Deferred tax liabilities (A)				
Property, plant and equipment and intangible assets	776.77	467.73	-	1,244.50
Total	776.77	467.73	-	1,244.50
Deferred tax assets (B)				
Provision for employee benefit expenses	9.66	8.78	10.18	28.72
Provision for sales Tax	-	3.30	-	3.30
Total	9.66	12.08	10.18	32.02
Deferred tax liabilities (net - A-B)	767.11	455.65	(10.18)	1,212.48

Note (i) : Refer note 35 for effective tax reconciliation

Note (ii) : In previous year, the Company has decided to opt for the new tax regime announced by the Government of India and avail the benefit of Section 115BAA of the Income Tax Act. This provides for the concessional tax rate of 22% plus applicable surcharge and cess (totaling to 25.17%). Accordingly, the Company has recognised provision for income-tax for the year ended March 31, 2020 and March 31, 2021 basis the revised rates. The Company has also remeasured its deferred tax liability on the basis of the reduced rate.

NOTES TO FINANCIAL STATEMENTS

Note 18 : Other non-current liabilities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred income*	2,073.81	1,686.93
	2,073.81	1,686.93

*Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. (refer note 39)

Note 19 : Borrowings (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loan repayable on demand		
- From bank (Secured)		
Cash credit	-	456.48
Total	-	456.48

Cash credit and working capital facilities of Apollo Tricoat Tubes Limited from banks are secured by first pari passu charge on entire present and future current assets and second charge on entire present and future property, plant and equipment of the manufacturing unit situated at Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Credit facilities are further secured by personal guarantee of the Mr. Sanjay Gupta and Mr. Rahul Gupta (Managing director of Apollo Tricoat Tubes Limited) and corporate guarantee of APL Apollo Tubes Limited, the ultimate holding Company. Applicable rate of interest is 8.55% - 9.35% p.a (March 31, 2020: 9.35% - 10.00% p.a.).

Note 20 : Trade payables

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to micro and small enterprises (refer note a)	80.40	-
Outstanding dues of creditors other than micro enterprises and small enterprises	3,309.11	11,243.12
Total	3,389.51	11,243.12

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:

Note a

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(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	80.40	-
-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	-	-

NOTES TO FINANCIAL STATEMENTS

Note 21 : Lease liabilities (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
On account of		
- Building (refer note 37)	2.81	1.93
- Vehicle (refer note 37)	2.90	3.47
Total	5.71	5.40

Note 22 : Other financial liabilities (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts (refer note 14)	1,304.42	980.00
Capital creditors	162.73	154.42
Interest accrued but not due	43.16	25.64
Total	1,510.31	1,160.06

Note 23 : Other current liabilities (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	998.47	66.29
Advance from customers	730.31	60.17
Advance from employees	0.76	0.24
Deferred income**	112.74	93.14
Total	1,842.28	219.84

**Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. (refer note 39)

Note 24 : Provisions (current)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for compensated absences	5.76	9.82
Provision for gratuity (refer note 40)	20.34	0.16
Total	26.10	9.98

Note 25 : Current tax liabilities (net)

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of prepaid taxes ₹ 2,862.61 Lakhs, March 31, 2020 ₹ 811.48 Lakhs)	170.08	151.89
Total	170.08	151.89

Note 26 : Revenue from operations

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products	1,41,077.99	63,711.51
Other operating revenue *	6,203.06	2,613.55
Total	1,47,281.05	66,325.06

NOTES TO FINANCIAL STATEMENTS

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

(i) Reconciliation of revenue recognised with contract price :

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contract price	1,44,500.22	65,495.09
Adjustments for:		
Discount and incentives	(3,422.23)	(1,783.58)
Revenue from operations	1,41,077.99	63,711.51

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

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	60.17	-
Addition during the year	730.31	60.17
Revenue recognised during the year	(60.17)	-
Balance at the closing of the year	730.31	60.17

***Other operating revenue**

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of scrap	4,115.39	2,248.48
Job work	2,087.67	365.07
Total	6,203.06	2,613.55

Note 27 : Other income

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income - fixed deposit with banks	-	17.73
Profit on foreign currency transactions (net)	53.12	-
Miscellaneous income*	126.52	96.24
Total	179.64	113.97

* Miscellaneous income includes unwinding of deferred income ₹ 102.47 Lakhs (March 31, 2020 ₹ 79.19 Lakhs)

Note 28 : Cost of material consumed

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw material		
Inventories of raw material at the beginning of the year	4,526.32	657.11
Add : Purchases during the year (net)	1,19,160.18	59,838.88
Less : Inventories of raw material at the end of the year	2,678.96	4,526.32
Total	1,21,007.54	55,969.67

NOTES TO FINANCIAL STATEMENTS

Note 29 : Changes in inventories of finished goods, stock-in-trade and rejection and scrap (Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the end of the year:		
Finished goods	3,065.14	2,217.43
Rejection and scrap	75.25	149.92
	3,140.39	2,367.35
Inventories at the beginning of the year:		
Finished goods	2,217.43	114.93
Rejection and scrap	149.92	16.72
	2,367.35	131.65
Total	(773.04)	(2,235.70)

Note 30 : Employee benefits expense

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	1,821.89	1,154.43
Contribution to provident and other funds	66.09	46.30
Staff welfare expenses	16.64	11.00
Total	1,904.62	1,211.73

During the year, the Company recognized an amount of ₹ 248.20 Lakhs (Year ended March 31, 2020 ₹ 174.19 Lakhs) as remuneration to key managerial personnel. The details of such remuneration is as below

- Short term employee benefits	219.45	164.30
- Post employment benefits	6.99	9.01
- Other long term employee benefits	21.76	0.88
Total	248.20	174.19

Note 31: Finance costs

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest expense :		
- Term loan	554.20	341.83
- Interest on cash credit	54.67	99.59
- delayed payment of income tax	52.45	-
- On account of Ind AS 116 "Leases" (refer note 37)	0.55	1.02
(b) Other borrowing costs	308.41	158.66
Total	970.28	601.10

NOTES TO FINANCIAL STATEMENTS

Note 32 : Depreciation and amortisation expense

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment (refer note 2)	1,619.35	983.85
Amortisation of intangible assets (refer note 3)	16.20	11.79
Depreciation on right of use assets (refer note 37)	17.19	17.27
Total	1,652.74	1,012.91

Note 33 : Other expenses

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of stores and spare parts	2,489.40	576.07
Power and fuel	2,016.11	1,010.53
Rent expense (refer note 37)	0.42	0.15
Legal and professional charges*	61.22	64.87
Repair and maintenance:		
-Building	16.36	-
-Plant and machinery	125.30	-
-Others	74.19	11.36
Insurance expenses	26.81	3.55
Rates and taxes	14.17	14.10
Freight outward	2,977.50	1,408.62
Advertisement and sales promotion	99.39	77.46
Job work charges	11.48	25.91
Corporate social responsibility expenses (refer note 34)	48.52	-
Loss on foreign currency transactions (net)	-	0.90
Travelling and conveyance	7.94	30.82
Security services	54.78	27.03
Director sitting fee	16.50	9.32
Management support services	357.06	505.85
Miscellaneous expenses	376.30	188.97
Total	8,773.45	3,955.51

*Legal and professional charges include auditor's remuneration as follows:

To Statutory auditors

For audit (including quarterly reviews)	14.00	1.00
For taxation matters	-	1.00
For GST audit	-	0.50
For reimbursement of expenses	0.08	0.18

Note 34 : Corporate social responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of CSR Expenditure as required by the Management are as follows :

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gross amount required to be spent by the Company during the year	48.52	10.51
Amount spent during the year on the following:		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	41.00	-
Total	41.00	-

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company has transferred the unspent amount of ₹ 8.00 Lakhs to a separate bank account subsequent to the balance sheet date.

Note 35 : Income tax expense

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
Current tax on profits for the year	3,024.91	977.85
Adjustments for current tax of prior periods	(56.56)	-
Total current tax expense	2,968.35	977.85
Deferred tax		
Increase in deferred tax liabilities	455.65	719.64
Total tax expense	3,424.00	1,697.49

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate for the year ended March 31, 2021:

(Amount in ₹ Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax as per statement of profit and loss	13,925.10	5,923.81
Enacted tax rates in India	25.17%	25.17%
Computed expected income tax expense	3,504.67	1,490.91
Non deductible expenses	31.29	209.69
Utilisation of previously unrecognized tax losses	-	(33.49)
Income not chargeable to tax	(1.81)	-
Other adjustments	(53.59)	30.38
Tax expense as reported	3,480.56	1,697.49
Effective tax rate	24.99%	28.66%

Note 36 : Earnings per share

(Amount in ₹ Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Basic and diluted earnings per share		
Profit attributable to equity shareholders- (A)	1,05,01,09,849	42,26,31,600
Equity shares outstanding at the beginning of the year	3,04,00,000	2,77,00,000
Add: Weighted average number of equity shares issued during the year	-	27,00,000
The weighted average number of equity shares outstanding during the year- (B)	3,04,00,000	3,04,00,000
Basic and diluted earnings per share of ₹ 2/- each (March 31, 2020: ₹ 2/- each)- (A) / (B)	34.54	14.01

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

NOTES TO FINANCIAL STATEMENTS

Note 37 : Disclosure on lease transactions pursuant to Ind AS 116 - Leases

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease.

On transition, the adoption of the new standard resulted in recognition of ‘right of use’ asset of ₹13.64 Crore and a lease liability of ₹9.00 Lakhs. The effect of this adoption was insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 results in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right of use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right of use asset at the date of initial application

The Interest rate applied to lease liabilities as at April 01, 2019 is 9% p.a.

The Company’s lease asset classes primarily consist of leases for land and office premises that can be renewed after the mutual agreement of both the parties.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right of use assets can only be used by the Company. Leases are either non cancellable or may only be cancelled by incurring a substantive termination fee. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021 and March 31, 2020:

				(Amount in ₹ Lakhs)
Particulars	Category of right of use assets			Total
	Land	Building	Vehicle	
Year ended March 31, 2020				
Gross carrying amount				
Opening gross carrying amount	-	-	-	-
Additions for the year	1,365.95	4.03	11.14	1,381.12
Deletions	-	-	-	-
Closing gross carrying amount	1,365.95	4.03	11.14	1,381.12
Accumulated depreciation				
Opening accumulated depreciation	-	-	-	-

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NOTES TO FINANCIAL STATEMENTS

Particulars	Category of right of use assets			Total
	Land	Building	Vehicle	
Depreciation charge for the year	(14.02)	(1.87)	(1.38)	(17.27)
Closing accumulated depreciation	(14.02)	(1.87)	(1.38)	(17.27)
Net carrying amount as on March 31, 2020	1,351.93	2.16	9.76	1,363.85
Year ended March 31, 2021				
Opening gross carrying amount	1,365.95	4.03	11.14	1,381.12
Additions for the year	-	-	-	-
Closing gross carrying amount	1,365.95	4.03	11.14	1,381.12
Accumulated depreciation				
Opening accumulated depreciation	(14.02)	(1.87)	(1.38)	(17.27)
Depreciation charge for the year	(13.96)	(1.86)	(1.37)	(17.19)
Closing accumulated depreciation	(27.98)	(3.73)	(2.75)	(34.46)
Net carrying amount as on March 31, 2021	1,337.97	0.30	8.39	1,346.66

The aggregate depreciation expense on right of use assets is included under depreciation and amortization 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, 2021 and March 31, 2020:

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liability	5.71	5.40
Non-current lease liability	-	3.60
Total	5.71	9.00

The following is the movement in lease liabilities during the year ended March 31, 2021 and March 31, 2020:

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning	9.00	13.38
Finance cost incurred during the period	0.55	1.02
Payment of lease liabilities	(3.84)	(5.40)
Balance at the end	5.71	9.00

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 and March 31, 2020:

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021		
	Lease payments	Finance charges	Net present value
Less than one year	5.82	0.11	5.71
One to five years	-	-	-
More than five years	-	-	-
Total	5.82	0.11	5.71

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2020		
	Lease payments	Finance charges	Net present value
Less than one year	5.97	0.57	5.40
One to five years	3.71	0.11	3.60
More than five years	-	-	-
Total	9.68	0.68	9.00

Total cash outflow pertaining to leases during the year ended March 31, 2021 is ₹ 3.84 Lakhs (March 31, 2020 ₹ 5.40 Lakhs)

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 ₹ 0.42 Lakh for the year ended March 31, 2021 (March 31, 2020 ₹ 0.15 Lakh).

Rental income on assets given on operating lease is ₹ 24.00 Lakhs for the year ended March 31, 2021 (March 31, 2020 ₹ 12.53 Lakhs).

Note 38 : Related party disclosures (as per Ind AS 24)

Details of related parties:

(a) Details of related parties :	Name of related parties
(i) Ultimate Holding Company	APL Apollo Tubes Limited (w.e.f. June 17, 2019)
(ii) Holding Company	Shri Lakshmi Metal Udyog Limited (w.e.f. June 17, 2019)
(iii) Fellow Subsidiary	Apollo Metalex Private Limited (w.e.f. June 17, 2019)
	APL Apollo Building Products Private Limited
(iv) Key Management Personnel (KMP)	Mr. Rahul Gupta (Managing Director)
(with whom transactions have taken place during the year)	Mr. Romi Sehgal (Whole Time Director) (w.e.f. February 01, 2020)
	Mr. Vinay Gupta (Director) (w.e.f. October 23, 2020)
	Mrs. Megha Gupta (upto October 23, 2020)
	Mr. Nandlal Bansal (Chief Financial Officer)
	Mrs. Surbhi Arora (Company Secretary)
(v) Relative of KMP	Mrs. Saroj Rani Gupta (Grandmother of Mr. Rahul Gupta)
(with whom transactions have taken place during the year)	Mrs. Neera Gupta (Mother of Mr. Rahul Gupta)
	Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta)
(vi) Enterprises significantly influenced by KMP and their relatives	APL Infrastructure Private Limited
(with whom transactions have taken place during the year)	Apollo Pipes Limited
	Apollo Metalex Private Limited (upto June 16, 2019)
	APL Apollo Tubes Limited (upto June 16, 2019)
	Shri Lakshmi Metal Udyog Limited (upto June 16, 2019)

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
(b) Transactions during the year							
Sale of goods (net of discounts)							
APL Apollo Tubes Limited	21,979.26	-	-	-	-	-	21,979.26
	(11,025.92)	(-)	(-)	(-)	(-)	(1,321.74)	(12,347.66)
Shri Lakshmi Metal Udyog Limited	-	411.88	-	-	-	-	411.88
	(-)	(627.90)	(-)	(-)	(-)	(-)	(627.90)
Apollo Metalex Private Limited	-	-	3.41	-	-	-	3.41
	(-)	(-)	(1.74)	(-)	(-)	(-)	(1.74)
APL Infrastructure Private Limited	-	-	-	-	-	0.26	0.26
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	21,979.26	411.88	3.41	-	-	0.26	22,394.81
	(11,025.92)	(627.90)	(1.74)	(-)	(-)	(1,321.74)	(12,977.30)
Sale of scrap (other operating revenue)							
APL Apollo Tubes Limited	296.06	-	-	-	-	-	296.06
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	296.06	-	-	-	-	-	296.06
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sale of raw material (net of discounts)							
APL Apollo Tubes Limited	8,276.75	-	-	-	-	-	8,276.75
	(2,494.56)	(-)	(-)	(-)	(-)	(-)	(2,494.56)
Shri Lakshmi Metal Udyog Limited	-	5,126.54	-	-	-	-	5,126.54
	(-)	(1,052.71)	(-)	(-)	(-)	(325.15)	(1,377.86)
Apollo Metalex Private Limited	-	-	4,887.66	-	-	-	4,887.66
	(-)	(-)	(1,046.95)	(-)	(-)	(-)	(1,046.95)
Total	8,276.75	5,126.54	4,887.66	-	-	-	18,290.95
	(2,494.56)	(1,052.71)	(1,046.95)	(-)	(-)	(325.15)	(4,919.37)
Sale of property, plant and equipment							
APL Apollo Tubes Limited	669.22	-	-	-	-	-	669.22
	(12.83)	(-)	(-)	(-)	(-)	(-)	(12.83)
Shri Lakshmi Metal Udyog Limited	-	0.10	-	-	-	-	0.10
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	2.25	-	-	-	2.25
	(-)	(-)	(1.95)	(-)	(-)	(-)	(1.95)
Total	669.22	0.10	2.25	-	-	-	671.57
	(12.83)	(-)	(1.95)	(-)	(-)	(-)	(14.78)
Sale of stores and spares							
APL Apollo Tubes Limited	28.90	-	-	-	-	-	28.90
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	3.21	-	-	-	-	3.21
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	13.00	-	-	-	13.00
	(-)	(-)	(0.90)	(-)	(-)	(-)	(0.90)
APL Apollo Building Products Private Limited	-	-	1.00	-	-	-	1.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	28.90	3.21	14.00	-	-	-	46.11
	(-)	(-)	(0.90)	(-)	(-)	(-)	(0.90)

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Purchase of property, plant and equipment							
APL Apollo Tubes Limited	478.70	-	-	-	-	-	478.70
	(193.30)	(-)	(-)	(-)	(-)	(499.82)	(693.12)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-	-
	(-)	(49.97)	(-)	(-)	(-)	(2.68)	(52.65)
Apollo Metalex Private Limited	-	-	4.60	-	-	-	4.60
	(-)	(-)	(201.84)	(-)	(-)	(18.43)	(220.27)
Apollo Pipes Limited	-	-	-	-	-	0.60	0.60
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	478.70	-	4.60	-	-	0.60	483.90
	(193.30)	(49.97)	(201.84)	(-)	(-)	(520.93)	(966.04)
Purchase of stock-in-trade (net of discounts)							
APL Apollo Tubes Limited	274.45	-	-	-	-	-	274.45
	(83.19)	(-)	(-)	(-)	(-)	(-)	(83.19)
Shri Lakshmi Metal Udyog Limited	-	0.41	-	-	-	-	0.41
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	274.45	0.41	-	-	-	-	274.86
	(83.19)	(-)	(-)	(-)	(-)	(-)	(83.19)
Purchase of raw material (net of discounts)							
APL Apollo Tubes Limited	3,981.75	-	-	-	-	-	3,981.75
	(1,391.04)	(-)	(-)	(-)	(-)	(228.70)	(1,619.74)
Shri Lakshmi Metal Udyog Limited	-	802.13	-	-	-	-	802.13
	(-)	(5,404.69)	(-)	(-)	(-)	(2,131.27)	(7,535.96)
Apollo Metalex Private Limited	-	-	5,771.67	-	-	-	5,771.67
	(-)	(-)	(4,306.24)	(-)	(-)	(10.06)	(4,316.30)
Apollo Pipes Limited	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(7.04)	(7.04)
Total	3,981.75	802.13	5,771.67	-	-	-	10,555.55
	(1,391.04)	(5,404.69)	(4,306.24)	(-)	(-)	(2,377.07)	(13,479.04)
Purchase of stores and spares							
APL Apollo Tubes Limited	8.10	-	-	-	-	-	8.10
	(17.94)	(-)	(-)	(-)	(-)	(0.98)	(18.92)
Shri Lakshmi Metal Udyog Limited	-	2.29	-	-	-	-	2.29
	(-)	(3.17)	(-)	(-)	(-)	(2.28)	(5.45)
Apollo Metalex Private Limited	-	-	10.46	-	-	-	10.46
	(-)	(-)	(10.50)	(-)	(-)	(-)	(10.50)
Total	8.10	2.29	10.46	-	-	-	20.85
	(17.94)	(3.17)	(10.50)	(-)	(-)	(3.26)	(34.87)
Purchases of scrap							
APL Apollo Tubes Limited	39.16	-	-	-	-	-	39.16
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	39.16	-	-	-	-	-	39.16
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Management fee paid							
APL Apollo Tubes Limited	397.47	-	-	-	-	-	397.47
	(488.30)	(-)	(-)	(-)	(-)	(-)	(488.30)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-	-
	(-)	(12.92)	(-)	(-)	(-)	(4.63)	(17.55)
Total	397.47	-	-	-	-	-	397.47
	(488.30)	(12.92)	(-)	(-)	(-)	(4.63)	(505.85)

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Management support service income							
APL Apollo Tubes Limited	30.70	-	-	-	-	-	30.70
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	3.52	-	-	-	-	3.52
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	6.19	-	-	-	6.19
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	30.70	3.52	6.19	-	-	-	40.41
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Reimbursement of expenses							
APL Apollo Tubes Limited	1,617.55	-	-	-	-	-	1,617.55
	(553.46)	(-)	(-)	(-)	(-)	(4.31)	(557.77)
Total	1,617.55	-	-	-	-	-	1,617.55
	(553.46)	(-)	(-)	(-)	(-)	(4.31)	(557.77)
Loan taken							
APL Apollo Tubes Limited	6,600	-	-	-	-	-	6,600
	(2,000)	(-)	(-)	(-)	(-)	(-)	(2,000)
Total	6,600	-	-	-	-	-	6,600
	(2,000)	(-)	(-)	(-)	(-)	(-)	(2,000)
Loan paid off							
APL Apollo Tubes Limited	6,600	-	-	-	-	-	6,600
	(2,000)	(-)	(-)	(-)	(-)	(-)	(2,000)
Total	6,600.00	-	-	-	-	-	6,600
	(2,000)	(-)	(-)	(-)	(-)	(-)	(2,000)
Rent income							
APL Apollo Tubes Limited	24.00	-	-	-	-	-	24.00
	(9.53)	(-)	(-)	(-)	(-)	(3.00)	(12.53)
Total	24.00	-	-	-	-	-	24.00
	(9.53)	(-)	(-)	(-)	(-)	(3.00)	(12.53)
Rent expense							
Mrs Vandana Gupta	-	-	-	-	0.21	-	0.21
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mrs. Neera Gupta	-	-	-	-	0.48	-	0.48
	(-)	(-)	(-)	(-)	(0.48)	(-)	(0.48)
Mrs. Saroj Rani Gupta	-	-	-	-	0.60	-	0.60
	(-)	(-)	(-)	(-)	(0.48)	(-)	(0.48)
Total	-	-	-	-	1.29	-	1.29
	(-)	(-)	(-)	(-)	(0.96)	(-)	(0.96)
Job work expenses							
APL Apollo Tubes Limited	-	-	-	-	-	-	-
	(12.22)	(-)	(-)	(-)	(-)	(-)	(12.22)
Shri Lakshmi Metal Udyog Limited	-	1.22	-	-	-	-	1.22
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	1.22	-	-	-	-	1.22
	(12.22)	(-)	(-)	(-)	(-)	(-)	(12.22)
Job work income							
APL Apollo Tubes Limited	77.55	-	-	-	-	-	77.55
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	2,010.12	-	-	-	-	2,010.12
	(-)	(366.37)	(-)	(-)	(-)	(-)	(366.37)
Total	77.55	2,010.12	-	-	-	-	2,087.67
	(-)	(366.37)	(-)	(-)	(-)	(-)	(366.37)

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Interest expense							
APL Apollo Tubes Limited	202.43	-	-	-	-	-	202.43
	(187.25)	(-)	(-)	(-)	(-)	(-)	(187.25)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-	-
	(-)	(76.40)	(-)	(-)	(-)	(-)	(76.40)
Apollo Metalex Private Limited	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(19.63)	(19.63)
Total	202.43	-	-	-	-	-	202.43
	(187.25)	(76.40)	(-)	(-)	(-)	(19.63)	(283.28)
Import licence purchases							
APL Apollo Tubes Limited	-	-	-	-	-	-	-
	(19.76)	(-)	(-)	(-)	(-)	(-)	(19.76)
	-	-	-	-	-	-	-
Total	(19.76)	(-)	(-)	(-)	(-)	(-)	(19.76)
Salary							
Mr. Rahul Gupta	-	-	-	120.00	-	-	120.00
	(-)	(-)	(-)	(120.00)	(-)	(-)	(120.00)
Mr. Romi Sehgal	-	-	-	95.95	-	-	95.95
	(-)	(-)	(-)	(24.49)	(-)	(-)	(24.49)
Mr. Nandlal Bansal	-	-	-	22.45	-	-	22.45
	(-)	(-)	(-)	(20.49)	(-)	(-)	(20.49)
Mrs. Surbhi Arora	-	-	-	9.80	-	-	9.80
	(-)	(-)	(-)	(9.21)	(-)	(-)	(9.21)
Total	-	-	-	248.20	-	-	248.20
	(-)	(-)	(-)	(174.19)	(-)	(-)	(174.19)
Director sitting fees paid							
Mrs. Megha Gupta	-	-	-	-	-	-	-
	(-)	(-)	(-)	(0.55)	(-)	(-)	(0.55)
	-	-	-	-	-	-	-
Total	(-)	(-)	(-)	(0.55)	(-)	(-)	(0.55)
(c) Balances outstanding at the end of the year							
Trade receivables							
APL Apollo Tubes Limited	-	-	-	-	-	-	-
	(227.01)	(-)	(-)	(-)	(-)	(-)	(227.01)
Shri Lakshmi Metal Udyog Limited	-	54.02	-	-	-	-	54.02
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Apollo Metalex Private Limited	-	-	88.11	-	-	-	88.11
	(-)	(-)	(-)	(-)	(-)	(0.33)	(0.33)
Total	-	54.02	88.11	-	-	-	142.13
	(227.01)	(-)	(-)	(-)	(-)	(0.33)	(227.34)
Trade payables							
APL Apollo Tubes Limited	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Lakshmi Metal Udyog Limited	-	-	-	-	-	-	-
	(-)	(1,643.41)	(-)	(-)	(-)	(-)	(1,643.41)
Apollo Pipes Limited	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(1.07)	(1.07)
	-	-	-	-	-	-	-
Total	(-)	(1,643.41)	(-)	(-)	(-)	(1.07)	(1,644.48)

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Advance from customer							
APL Apollo Tubes Limited	562.50	-	-	-	-	-	562.50
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total	562.50	-	-	-	-	-	562.50
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Notes :

- (1) Figures in the bracket relates to previous year ended March 31, 2020.
- (2) Amount of expense of gratuity and compensated absences is taken on actuarial basis.
- (3) 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).

Note 39 : Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities

Contingent liabilities for the year ended March 31, 2021 ₹ nil (March 31, 2020 ₹ nil)

(b) Commitments

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

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment	1,312.74	2,250.07

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

The export obligation is to be fulfilled within a period of 6 years from the date of issuance of license. Under this scheme the Company has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Company is required to export of FOB value of ₹ 14,230.32 Lakhs (March 31, 2020 ₹ 11,176.62 Lakhs) against which the Company has saved a duty of ₹ 2,371.72 Lakhs (March 31, 2020 ₹ 1,862.77 Lakhs).

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

Note 40 : Employee benefit plan

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 FINANCIAL STATEMENTS

b) Plan typically exposes the Company to actuarial risks such as : investment risks, interest rate risk, longevity risk and salary risk.

Investment risk

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

Interest rate risk

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

Longevity risk

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

Salary risk

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

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

In respect of the plan in India, the most recent actuarial valuation the present value of the defined benefit obligation were carried out as at March 31, 2021 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.

The Company has classified the various benefits provided to employees as under:

A. Defined contribution plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognised the following amounts towards defined contribution plan in the Statement of Profit and Loss –

(Amount in ₹ Lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's contribution to provident fund	60.14	42.75

NOTES TO FINANCIAL STATEMENTS

B. Other long term benefits and defined benefit plans

i) Change in present value of obligation

(Amount in ₹ Lakhs)

Particulars	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Present value of obligation as at the beginning of the year	13.81	2.93
Interest cost	0.93	0.23
Service cost	12.65	8.56
Benefits paid	(0.34)	-
Acquisition / Business Combination / Divestiture	0.05	-
Total actuarial loss on obligation	40.45	2.09
Present value of obligation as at the end of year	67.55	13.81

ii) Liabilities recognized in the balance sheet

(Amount in ₹ Lakhs)

Particulars	Gratuity	
	As at March 31, 2021	As at March 31, 2020
Net defined benefit liability at the start of the year	13.81	2.93
Total service cost	12.65	8.56
Net interest cost	0.93	0.23
Re-measurements	40.45	2.09
Benefit paid directly by the enterprise	(0.34)	-
Acquisition / Business Combination / Divestiture	0.05	-
Net liability recognized in balance sheet	67.55	13.81
Recognized under:		
Long term provision	47.21	13.65
Short term provision	20.34	0.16
Total	67.55	13.81

iii) Expense recognized in the statement of profit and loss

(Amount in ₹ Lakhs)

Particulars	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Service cost	12.65	8.56
Interest cost	0.93	0.23
Expense recognized in the statement of profit and loss	13.58	8.79

iv) Other comprehensive income (OCI)

(Amount in ₹ Lakhs)

Particulars	Gratuity	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial loss for the year on defined benefit obligation	40.45	2.09

NOTES TO FINANCIAL STATEMENTS

v) Principal actuarial assumptions

The significant actuarial assumptions for gratuity and compensated absences are as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate per annum	7.09%	6.77%
Salary escalation rate per annum	8.00%	4.00%
Retirement age	60 Years	60 Years
Mortality tables	IALM [2012-2014]	IALM [2012-2014]
Employee turnover / 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%

vi) Sensitivity analysis

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

(Amount in ₹ Lakhs)

Particulars	Gratuity	
	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate		
Increased by 1%	(7.02)	(1.84)
Decreased by 1%	8.83	2.28
Salary escalation rate		
Increased by 1%	8.65	2.32
Decreased by 1%	(7.02)	(1.90)
Attrition rate		
Increased by 1%	(1.18)	(0.08)
Decreased by 1%	1.82	0.16

vii) Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 19.77 years in case of gratuity. The expected maturity analysis of undiscounted gratuity is as follows:

(Amount in ₹ Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Less than a year	20.40	0.18
Between 1 - 2 years	0.64	0.24
Between 2 - 3 years	0.57	0.33
Between 3 - 4 years	2.41	0.48
Between 4 - 5 years	16.58	1.22
Beyond 5 years	51.46	29.26
Total	92.06	31.71

NOTES TO FINANCIAL STATEMENTS

Note 41 : Financial instruments

Financial instruments by category

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2021 and March 31, 2020.

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost *
Financial assets - non current						
Security deposit	-	-	175.33	-	-	175.54
Financial assets - current						
Loans to employees	-	-	4.88	-	-	12.89
Trade receivables	-	-	1,162.51	-	-	3,794.21
Cash and cash equivalents	-	-	0.17	-	-	1.38
Balances with banks	-	-	979.66	-	-	474.76
Security deposit	-	-	1.00	-	-	1.00
Claim receivables	-	-	38.62	-	-	-
Total financial assets	-	-	2,362.17	-	-	4,459.78
Financial liabilities - non current						
Borrowings	-	-	4,898.91	-	-	9,820.00
Lease liabilities	-	-	-	-	-	3.60
Financial liabilities -current						
Borrowings	-	-	-	-	-	456.48
Trade payable	-	-	3,389.51	-	-	11,243.12
Lease liabilities	-	-	5.71	-	-	5.40
Current maturities of long term debts	-	-	1,304.42	-	-	980.00
Capital creditors	-	-	162.73	-	-	154.42
Interest accrued but not due	-	-	43.16	-	-	25.64
Total financial liabilities	-	-	9,804.44	-	-	22,688.66

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.

NOTES TO FINANCIAL STATEMENTS

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.

*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.

Note 42 : Financial risk management objectives

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

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

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

NOTES TO FINANCIAL STATEMENTS

Details on unhedged foreign currency exposures

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

Currency	As at March 31, 2021	As at March 31, 2020
Payables:		
USD	64,500.00	1,01,800.00
Equivalent amount in ₹ in Lakhs	47.16	74.96
Advance paid to vendors:		
USD	1,79,082.26	9,01,870.63
Equivalent amount in ₹ in Lakhs	136.17	619.86
EURO	16,994.77	1,44,906.22
Equivalent amount in ₹ in Lakhs	15.05	113.94

Sensitivity

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

(Amount in ₹ Lakhs)

Impact on profit after tax		
Particulars	As at March 31, 2021	As at March 31, 2020
USD sensitivity		
INR/USD increases by 0.5%	(0.18)	(0.28)
INR/USD decreases by 0.5%	0.18	0.28

(ii) Interest rate risk

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

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	6,198.58	11,256.48
Fixed rate borrowings	4.75	-
Total borrowings	6,203.33	11,256.48

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

NOTES TO FINANCIAL STATEMENTS

(Amount in ₹ Lakhs)

Particulars	Balance	% of total loans
As at March 31, 2021		
Bank loans and Cash credit	6,198.58	99.92%
As at March 31, 2020		
Bank loans and Cash credit	11,256.48	100%

Sensitivity analysis for variable-rate instruments

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

(Amount in ₹ Lakhs)

Particulars	Impact on profit after tax	
	Year ended March 31, 2021	Year ended March 31, 2020
Interest rates – increases by 0.5%	(23.19)	(42.12)
Interest rates – decreases by 0.5%	23.19	42.12

(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.

(c) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

NOTES TO FINANCIAL STATEMENTS

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

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Floating rate	18,000.00	15,543.52
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 ₹ Lakhs)

Particulars	Not later than 1 year	1 to 5 years	5 years and above	Total
Non-derivatives				
March 31, 2021				
Borrowings*	1,304.42	4,898.91	-	6,203.33
Lease liabilities*	5.71	-	-	5.71
Payable on purchase of property, plant and equipment	162.73	-	-	162.73
Trade payable	3,389.51	-	-	3,389.51
Interest accrued but not due on borrowings	43.16	-	-	43.16
Total non-derivative liabilities	4,905.53	4,898.91	-	9,804.44
Non-derivatives				
March 31, 2020				
Borrowings*	1,436.48	8,490.00	1,330.00	11,256.48
Lease liabilities*	5.40	3.60	-	9.00
Payable on purchase of property, plant and equipment	154.42	-	-	154.42
Trade payable	11,243.12	-	-	11,243.12
Interest accrued but not due on borrowings	25.64	-	-	25.64
Total non-derivative liabilities	12,865.06	8,493.60	1,330.00	22,688.66

* The amounts do not include interest payments.

Note 43 : 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 markets. The Company is not subject to any externally imposed capital requirements.

NOTES TO FINANCIAL STATEMENTS

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, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowing less cash and cash equivalents, bank balances other than cash and cash equivalents.

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non current borrowing	4,898.91	9,820.00
Current maturities of non current borrowings	1,304.42	980.00
Current borrowings	-	456.48
Less :- cash and cash equivalents	(979.83)	(476.14)
Net debts	5,223.50	10,780.34
Total equity	30,425.59	19,954.76
Gearing ratio	0.17	0.54

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

Note 44 : Reconciliation of liabilities arising from financing activities

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2019	Cash flows	Interest expenses	As at March 31, 2020
Non-current borrowings	2,906.22	6,913.78	-	9,820.00
Current borrowings	2,547.36	(2,090.88)	-	456.48
Current maturities of non-current borrowings	103.13	876.87	-	980.00
Lease liabilities	13.38	(5.40)	1.02	9.00
Total liabilities from financing activities	5,570.09	5,699.77	1.02	11,256.48

(Amount in ₹ Lakhs)

Particulars	As at March 31, 2020	Cash flows	Interest expenses	As at March 31, 2021
Non-current borrowings	9,820.00	(4,921.09)	-	4,898.91
Current borrowings	456.48	(456.48)	-	-
Current maturities of non-current borrowings	980.00	324.42	-	1,304.42
Lease liabilities	9.00	(3.84)	0.55	5.71
Total liabilities from financing activities	11,265.48	(5,056.99)	0.55	6,209.04

Note 45 : The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament's approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently, on November 13, 2020, draft rules were published and stakeholders' suggestions were invited. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTES TO FINANCIAL STATEMENTS

Note 46 : The Board of Directors of Apollo Tricoat Tubes Limited (“Company”), at its meeting on February 27, 2021, has 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”), its ultimate holding Company and their respective shareholders and creditors, as may be modified from time to time (“Scheme”), under Sections 230 to 232 of the Companies Act, 2013. The Scheme is subject to receipt of approvals from the shareholders and creditors of the Company as may be directed by the National Company Law Tribunal, Delhi bench (“NCLT”), stock exchanges and approval of other regulatory or statutory authorities as may be required.

Note 47 : Figures for the previous year have regrouped / reclassified wherever necessary.

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

Neeraj Sharma
Partner
Membership No. 502103

Place : New Delhi
Date : May 3, 2021

For and on behalf of the Board of Directors of
Apollo Tricoat Tubes Ltd.

Rahul Gupta
Managing Director
DIN: 07151792

Nandlal Bansal
Chief Financial Officer

Place : Ghaziabad
Date : May 3, 2021

Romi Sehgal
Whole Time Director
DIN: 03320454

Surbhi Arora
Company Secretary
Membership No. A33370

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Apollo TriCoat

THREE STEPS AHEAD

APOLLO TRICOAT TUBES LIMITED

37, Hargobind Enclave, Vikas Marg, New Delhi - 110092

Phone: 011-22373437, Fax: 011-22373537

Email: info@apollotricoat.com, Website: www.apollotricoat.com

CIN: L74900DL1983PLC014972