



August 31, 2024

Electronic Filing

National Stock Exchange of India Limited
"Exchange Plaza" Bandra-Kurla Complex,
Bandra (E),
Mumbai-400051

Department of Corporate Services/Listing
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai-400001

NSE Symbol : APLAPOLLO

Scrip Code : 533758

Dear Sir/Madam,

Re: Annual Report for the Financial Year 2023-24

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2023-24, 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 the Securities and Exchange Board of India.

The Annual Report is also uploaded on the website of the Company at www.aplapollo.com.

This is for your kind reference and records.

Thanking you

Yours faithfully
For APL Apollo Tubes Limited

Deepak C S
Company Secretary

Encl: a/a

APL Apollo Tubes Limited (CIN-L74889 DL 1986PLC023443)

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Corp Office : SG Centre, 37 C, Block B, Sector - 132, Noida, Uttar Pradesh - 201304 Tel : +91 - 120 6918000

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Tamilnadu - 635109 India | Unit - 3 : Plot No. M-1, Additional M.I.D.C. Area, Kudavali, Murbad, Maharashtra, Thane - 421401, India

Unit - 4 : Village Bendri Near Urla Indil. Area, Raipur, Chhattisgarh - 493661, India | Unit - 5 : Sy. No. 443, 444, 538, 539, Wadiaram (Vill.), Chegunta,

Medak - 502255, Telengana, India | Unit - 6 : No. 9 to 11, KIADB Industrial Area Attibele, Bengaluru - 562107 | Unit - 7 : Plot No. 53, Part-1, 4th Phase,

Industrial Area, Sy. No. 28-33, Kurandhalli Village, Kasaba Hobli, Malur, Taluk, Distt. Kolar-563130, Karnataka | Unit - 8 : Village Bisnoli, Khasra No. 527 To 530 &

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**INDIA IS
READY AND
SO ARE WE**

APL APOLLO TUBES LIMITED

INTEGRATED REPORTING &
FINANCIAL STATEMENTS **2023-24**

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SHAREHOLDERS INFORMATION

CIN	L74899DL1986PLC023443
BSE Code	533758
NSE Symbol	APLAPOLLO
Dividend for FY24	₹5.50 per share
AGM Date	September 26, 2024
AGM Mode	Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Disclaimer

This document contains forward-looking statements about future events and APL Apollo Tubes Limited's financials. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may prove to be inaccurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Integrated Report.

APPROACH TO REPORTING

INTRODUCING KEY ICONS

Manufactured Capital



Financial Capital



Human Capital



Intellectual Capital



Social Capital



Relationship Capital



Natural Capital



APL Apollo Tubes Limited (hereafter referred to as 'APL Apollo' or 'the Company') is pleased to present its 39th Annual Report for the Financial Year 2023-24. This Report intends to serve as a concise communication about the Company's thoughts on business, governance, performance (financial and non-financial) and prospects in the context of its external environment.

REPORTING FRAMEWORK

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

SCOPE AND BOUNDARY

The 'reporting period' is from 1st April 2023 to 31st March 2024. The Report covers the manufacturing facilities at Research & Development (R&D) centres, Head Offices, regional, zonal and area offices across India, sales and distribution facilities and stockyards. There was no significant change in the scope and boundary of the non-financial disclosures from the previous reporting period. The calculation methodologies conform to globally accepted standards, while assumptions, exclusions and restatements are clearly stated wherever applicable.

APPROACH TO STAKEHOLDER ENGAGEMENT

We engage with our stakeholders regularly, and responding to their concerns is important. Their concerns are captured through our materiality assessment process and various other channels. This report presents information on these topics of interest to our stakeholders.

INDIA IS R

TO TAKE
GLOBAL





EADY

THE BIG LEAP IN THE PECKING ORDER.



India's economic narrative paints a very bright picture.

In the last three decades, India has not just grown faster but has also compressed the GDP growth of the earlier decades into fewer years.

Following independence
in 1947, it took us

58 years

to get to our first trillion dollars in GDP,

12 years

to get to the next trillion and just

5 years

to the third trillion.

Moreover, in the next

5 years

we will be adding
another two trillion to our GDP
to achieve the

US\$ 5 trillion

well before 2030



And where do we expect to see India by 2030?

3rd

The third-largest economy in the world.

US\$ 5 trillion

A middle-income economy with a US\$ 5 trillion GDP driven by two factors

US\$2.1 trillion

External trade may nearly double to USD 2.1 trillion by FY2030 from USD 1.2 trillion in FY2023.

US\$3.4 trillion

Household consumption will see a jump to US\$ 3.4 trillion by FY2030 from US\$ 2.1 trillion in FY2023.

India's share of working-age population will increase to

64.8%
from 64.2% in FY2020.

And India's per capita income will scale by

~65%
to US\$4,000 by FY2030 from US\$2,450 in FY2023.

And a peek into 2050 provides an even more exhilarating picture.

The world's second-largest economy by 2050.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax-paying society at a record pace over the next three decades. The United Nations Population Fund (UNFPA)

projects that **India's median age will be just 38 years** even in 2050.

Over this period, India's population is expected to grow by approximately 15% to 1.6 billion, but the per capita income could accelerate by over **700% to about US\$16,000**. On a purchasing power parity basis, this

per capita metric could be three to four times higher.

Estimates suggest that within the next decade, India will add a trillion dollars to its GDP every 18 months, putting the nation on track to emerge as a US\$25-30 trillion economy by 2050.





REAL ESTATE



Real estate has demonstrated a track record of consistent growth and, time and again, has proven to be the best investment option. It is a safe investment option that appreciates over time and ensures good returns while enabling tax savings.

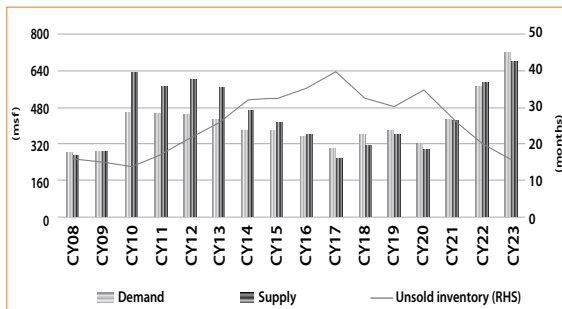
At least 1 out of 10 Indian households purchased or constructed a new house in the past seven years, according to the National Sample Survey (NSS) Office, Ministry of Statistics and Programme Implementation (MOSPI). Of these, at

least half are first-time buyers, which shows the growth in demand for residential real estate in India.

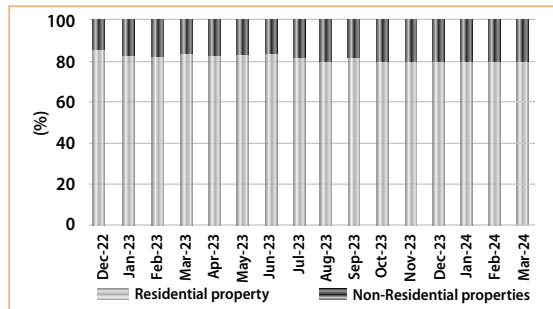
The increase in the purchasing power of the younger generations, rapid urbanisation, cultural shifts

towards nuclear families, and the government's focus on affordable housing for all and more are steadily increasing the demand for housing. However, India's residential real estate market still has a large untapped opportunity.

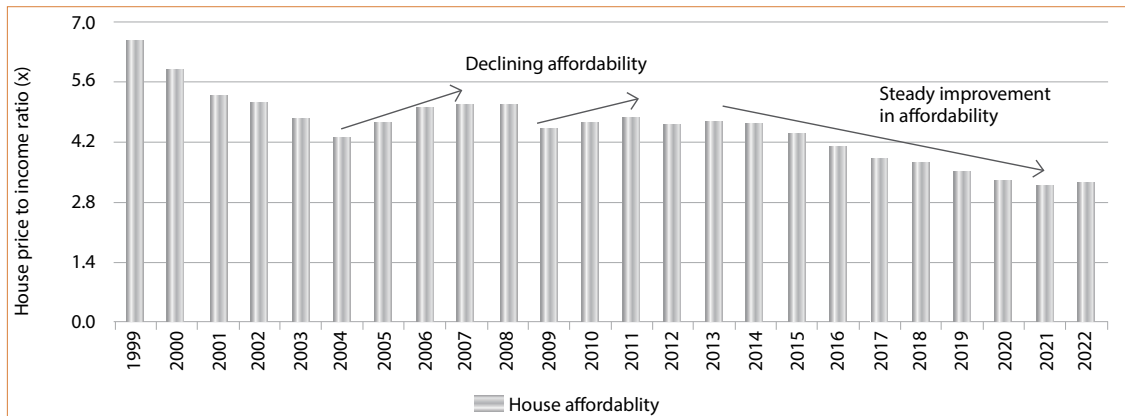
Housing space witnessing robust demand



Residential properties account for bulk of registrations



House affordability - Still very good despite mortgage rate/price increase



Source : HDFC, Nuvama Research

Enter organised developers

In early 2000, standalone buildings gave way to high-rise structures that have significantly altered the urban and, more recently, semi-urban skyline. This transformation was the need of the hour owing to the accelerated pace of urbanisation.

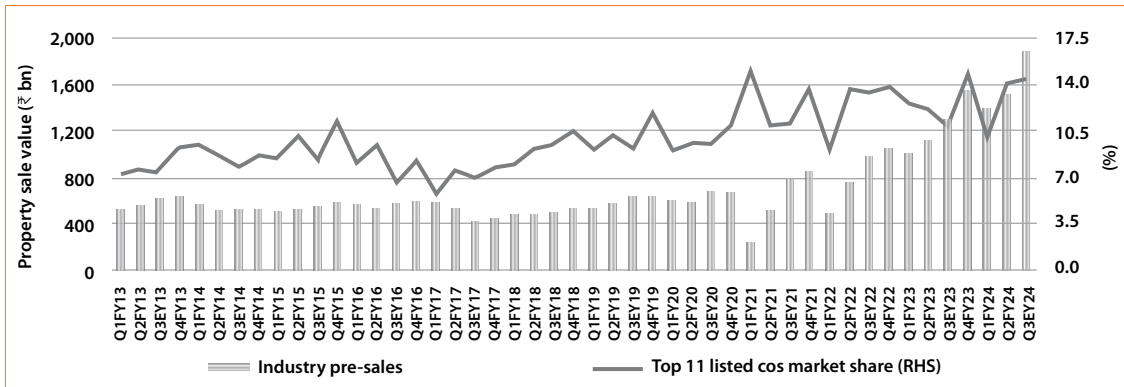
Organised real estate builders spearheaded the proliferation of gated community living across urban pockets.

Their deep pockets to take up big-ticket projects, ability to onboard technical experts in each field, and brand reputation became a draw for the urban Indian. Gated living in high-rise structures, as a concept, became the 'New Normal' way of living for the well-heeled in urban India.

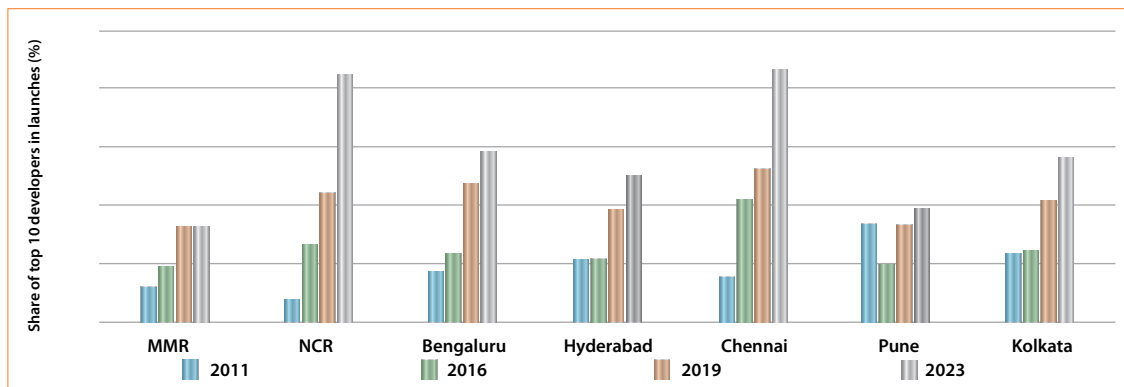
As urban centres filled in and got cluttered, businesses, services and manufacturing moved to Tier I and II towns. With it came the 'New Normal' way of living.

This change has steadily increased the share of organised builders in the overall real estate pie. More recently, the increasing earning propensity of entrepreneurs and professionals and affordability have shifted the preference towards gated-community living by reputed builders.

Market share gains continue for organised developers



Organised developers now account for a lion's share of supply



Around 65% of Indians are willing to buy a home in 2024 amid the narrowing gap between rents and EMIs. The increase in affordability and security of owning a physical asset is also among the other contributing factors.

Over 28 crore Indian citizens want to buy a house among

the 40-crore population yet to own a house in the country.

According to the Confederation of Real Estate Developers' Association of India (CREDAI). The real estate sector is projected to reach US\$1.3 trillion (13.8% of projected GDP) by FY 2034 and \$5.17 trillion (17.5% of projected GDP) by 2047,

7 crore

CREDAI projects that there will be a 7-crore additional housing demand by 2030.

The organised sector will play a defining role.

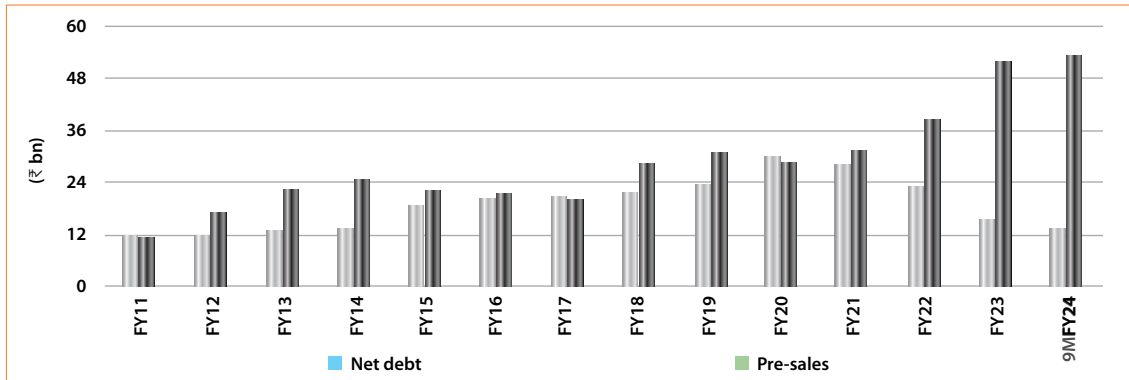
The organised developers are perfectly poised to play a defining role in accelerating the growth of the real estate sector. For two reasons.

1) Their pre-sales stands at an all-time high, and 2) their leverage position is at an all-time low.

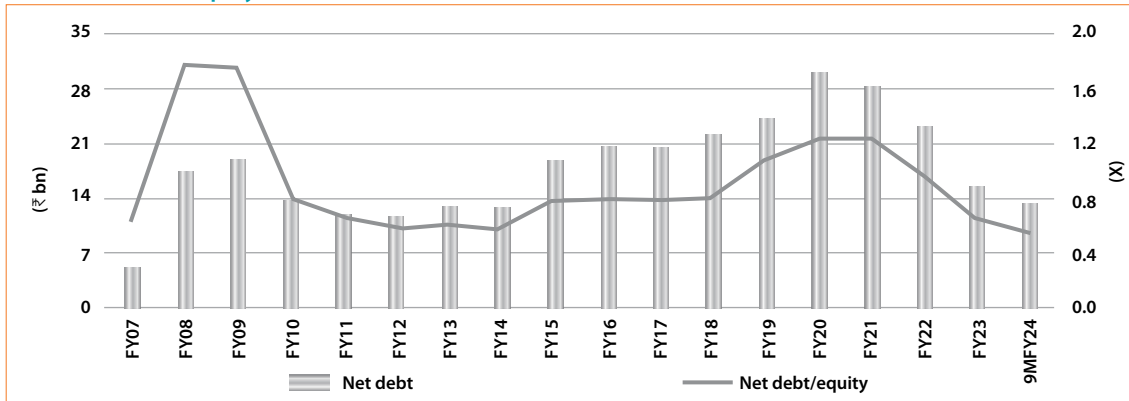
This suggests that as EMLs flow in over the coming years, the organised players would be flush with funds. This, coupled with their deleveraged position, denotes that organised players would be better placed to execute their projects faster and take up new projects for development.

From a development perspective, it indicates that developers would adopt technology, techniques, and resources to help them collapse the project development and completion cycle, thereby shoring their business profitability.

Pre-sales at all-time high...



While net debt to equity is at all-time low



THE UPTICK IN THE REAL ESTATE SECTOR, COUPLED WITH THE GROWING PRESENCE OF ORGANISED PLAYERS, PROVIDES A VERY PROMISING FUTURE FOR APL APOLLO TUBES, AS MORE THAN 60% OF ITS REVENUE ACCRUES FROM THIS BUSINESS SPACE.



OTHER SEGMENTS, TOO, PROMISE HUMONGOUS DEVELOPMENT.

1 bn sq. ft.

supply of India's prime workplaces by 2030.

According to a CREDAI-CRE Matrix study, the supply of India's prime workplaces is expected to touch 1 bn sq. ft. in tier I cities led by robust industry fundamentals and sustained demand by 2030 from the current level of 700 mn sq. ft. grade A offices.

This growth can be attributed to several factors, including the country's strong economic fundamentals, the rise of new-age industries, and the increasing influx of multinational corporations, as office developers have been extremely innovative and ESG-conscious to keep the buildings at par with global standards.

Source: <https://economictimes.indiatimes.com/industry/services/property/-cstruction/indias-office-supply-likely-to-touch-1-billion-sq-ft-by-2030-report/articleshow/101190600.cms?from=mdr>

11 mn sq. ft.

Additional real estate space for DATA CENTER creation

The Indian data centre industry has, however, grown from occupying 2.7 mn sq ft in 2017 to 11 mn sq ft in 2023. The industry is set for expansion, requiring an additional 10 Mn square feet of real estate space and attracting investments totalling US\$5.7 billion, according to a report by real estate consultancy JLL. The surge will be due to the rising adoption of artificial intelligence (AI), leading to higher power consumption.

Source: https://www.business-standard.com/industry/news/data-centres-in-india-to-drive-10-mn-sq-ft-real-estate-demand-report-124052400816_1.html



Hospital in Manipur on APL Apollo tubular construction

700 mn sq ft

Warehousing and logistics stock by 2030

India's current per capita warehousing stock is a mere 2.7 square feet, a stark contrast to developed economies like the United States (54.2 sq ft), Japan (46.3 sq ft), and China (8 sq ft). This significant disparity highlights a massive potential demand for warehousing space.

Projections suggest that India's warehousing and logistics stock will grow substantially, doubling to exceed 700 mn sq ft by 2030. This growth is expected to be driven by occupiers expanding across various segments such as e-commerce, third-party logistics, and engineering & manufacturing. Additionally, the share of grade-A warehousing and logistics stock is anticipated to increase from the current 35% to over 50% by 2030, further indicating the sector's potential for growth and expansion.

Source: <https://economictimes.indiatimes.com/small-biz/trade/exports/insights/why-warehousing-is-a-booming-asset-class-for-discerning-investors-in-india/articleshow/110027063.cms?from=mdr#>

2,000 mn sq ft

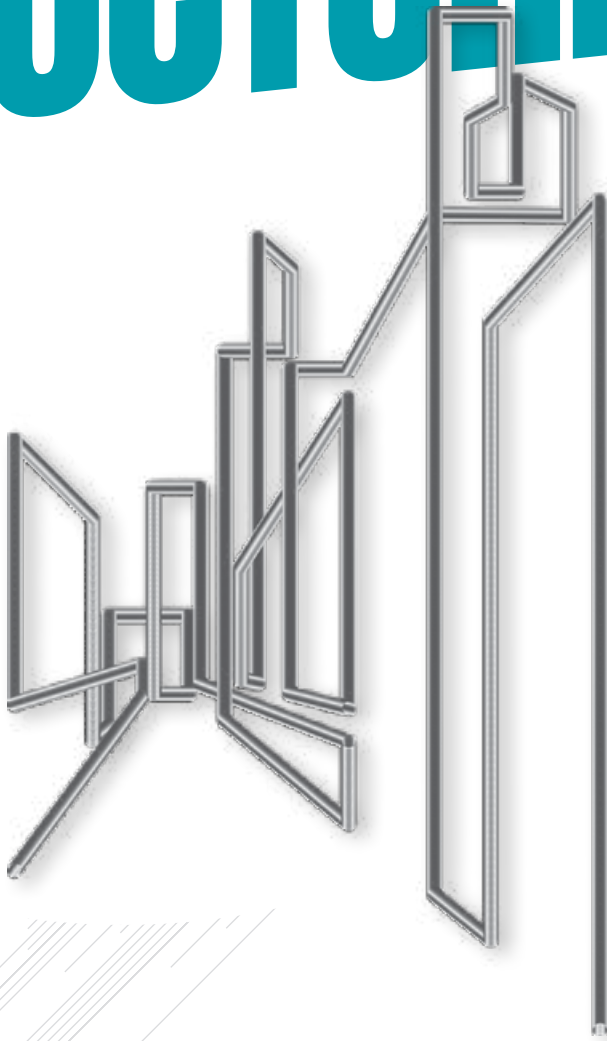
Deficit in healthcare space

India is facing a deficit of 2 billion sq. ft. of healthcare space to cater to its current population base of 1.42 billion people," according to Knight Frank India. India has a considerable gap between the number of hospital beds available and required. India's existing bed-to-population ratio is 1.3/1000 population (private and public hospitals included), with a deficit of 1.7/1000 population. There is an additional requirement of 2.4 Mn beds to cater to the existing population.

Source: <https://www.thehindubusinessline.com/news/real-estate/india-needs-additional-2-billion-square-feet-of-healthcare-space-report/article67565795.ece>

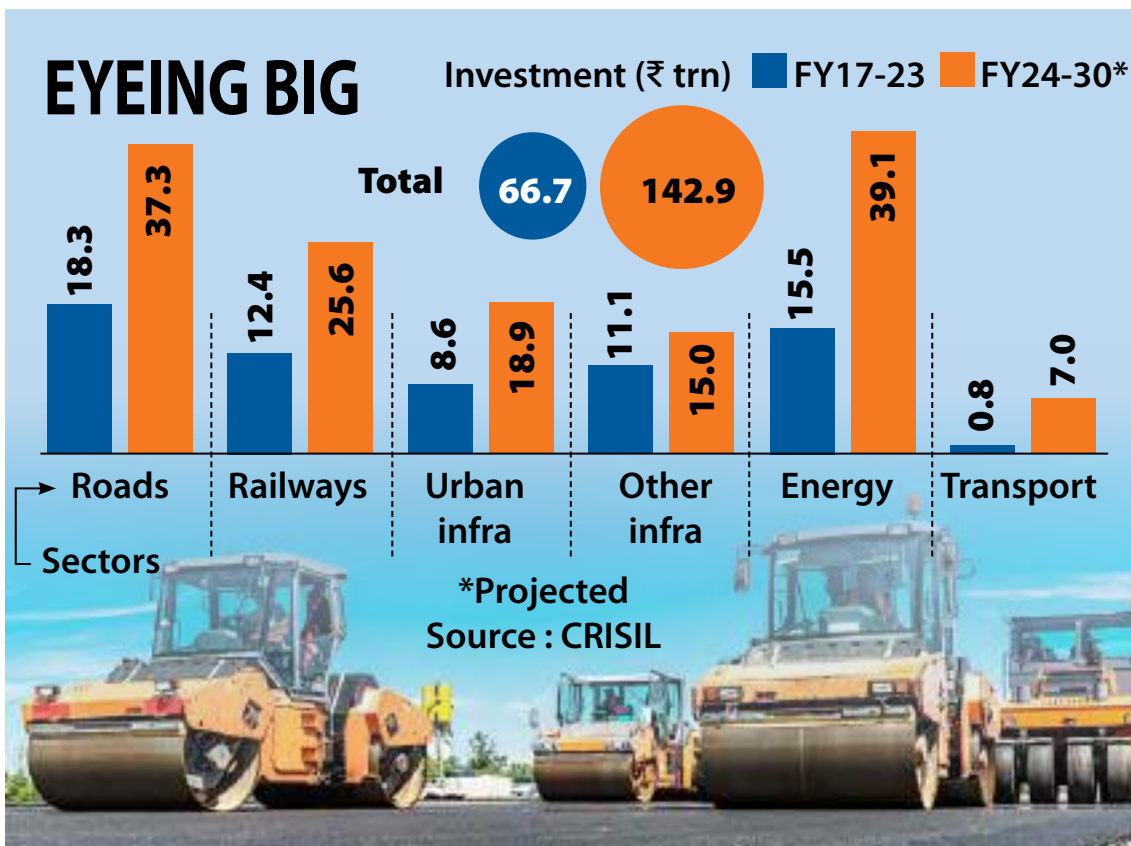
INFRA- STRUCTURE

The Government of India has embarked on an ambitious journey to revolutionise the country's infrastructure landscape, aiming to bolster economic growth, enhance connectivity, and improve the quality of life for its citizens.



Allocation for infrastructure for 2024/25 raised ₹11.1 trillion rupees (US\$134 billion), up 11.1% over the previous year.

India will spend nearly ₹143 lakh crore on infrastructure in seven fiscals through 2030, more than twice the ~₹67 lakh crore spent in the previous seven starting fiscal 2017. Of the total, ~₹36.6 lakh crore will be green investments, marking a 5x rise compared with fiscals 2017-2023.



The recent shift in India's focus on the infrastructure sector has led to the launch of several high-scale projects across the country.

Airport in Tamil Nadu on APL Apollo tubular construction



Airports

According to the Civil Aviation Ministry, India will have 230-240 airports, including heliports and water aerodromes, by 2030, up from 148 now, as well as expanded capacity for metro airports, which would be able to accommodate the growing number of passengers - the number of domestic passengers in India is expected to surge to 300 Mn annually by 2030 from 153 Mn in 2023

The Ministry is looking at developing six 'Twin City' airports by 2030 to decongest existing airports in major cities and expand the airport infrastructure to address the burgeoning demand for air travel. Three such projects are already in progress. The rest are yet to take off.

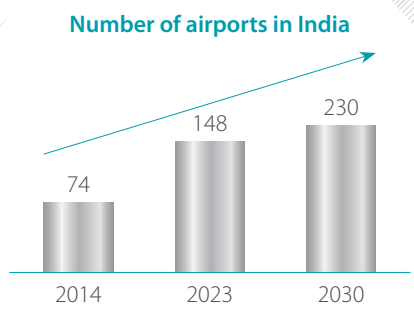
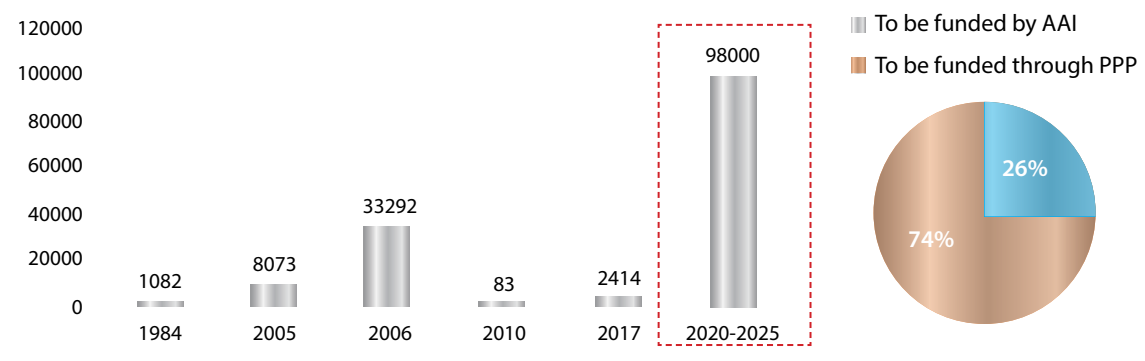


Figure 7: Total year wise investment in PPP projects in Airport Sector in India (in ₹ crore)*



Source: CRISIL report on New Approaches to PPP focusing on the Airport Sector, Annual Report of MoCA 2022-2023
 *Conversion rate considered for USD to INR: 83.23

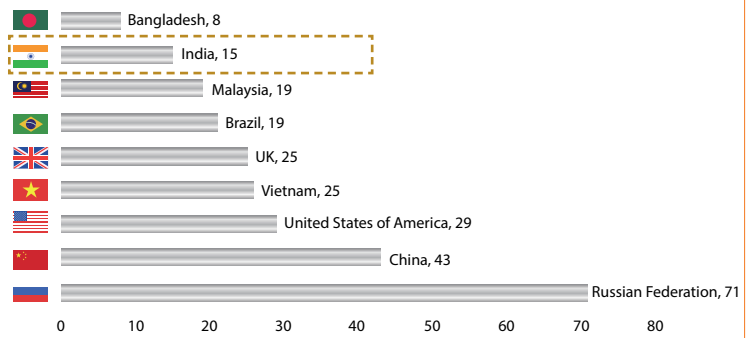


Hospitals

The government has built more than a dozen similar medical institutes for specialised treatment since 2014. Going forward, it has plans to build at least one major hospital in each of India's 761 districts.

Additionally, private hospital chains are expected to add over 30,000 beds at an investment of ₹ 32,500 crore in the country over the next four to five years (according to ICRA). Centres such as Delhi-NCR, Mumbai, and Bengaluru are expected to witness sizeable bed additions in the next few years.

Bed densities across countries - hospital beds (per 10,000 population)

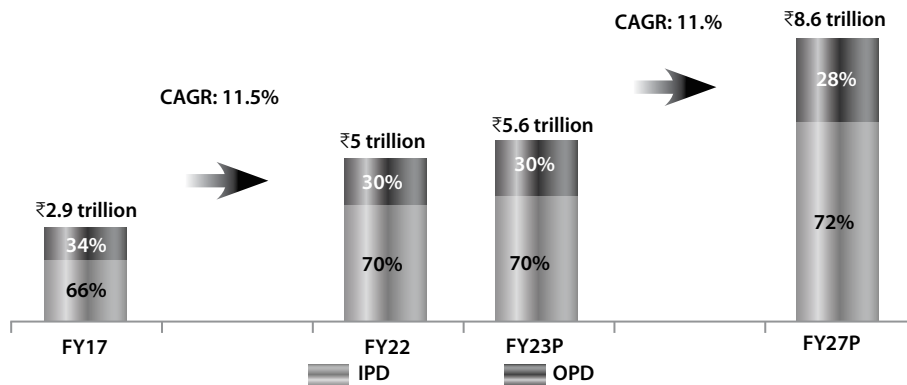


Note: India bed density is estimated by CRISIL MI&A Research for FY 2022, CRISIL MI&A Research for Bangladesh, CY2017 figures for Brazil, China, Malaysia and United States, CY2018 figures for Russian Federation, CY2019 figure for UK
Source: World Health Organization Database, CRISIL MI&A Research

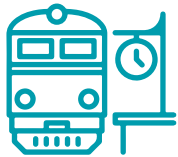
Indian healthcare delivery market poised for robust growth in the medium term

Breaching pre-Covid level in FY22, CRISIL MI&A Research estimates the Indian healthcare delivery industry of post healthy ~11.3% compound annual growth rate between fiscals 2023 and 2027, driven by long term structural factors, strong fundamentals, increasing affordability and potential of the Ayushman Bharat scheme.

Overall healthcare delivery market in India



Note: IPD stands for in-patient department and OPD stands for out-patient department. According to CRISIL MI&A Research out-patients are those who are not required to stay at the hospital overnight. It includes consultancy, day surgeries at eye care centres, and diagnostics, and excludes pharmaceuticals purchased from standalone outlets;
Source: CRISIL MI&A Research



Railways

India's Railway Stations are not going to be the same. What remained unchanged for decades, and in some cases more than a century, is now bracing for an unprecedented transformation as part of the Indian Railways Amrit Bharat Station Scheme.

The Centre's ambitious plan for transforming more than 1300 railway stations in the country got a further boost when the Prime Minister laid the foundation stone for redeveloping 553 railway stations on February 26, 2024. The redevelopment of 508 railway stations is already in progress; the PM laid the foundation stone in August 2023.



Metro Rail

The potential of metro rail networks to ease urban traffic congestion and improve air quality, mobility, accessibility and the local economy is globally recognised.

India's metro network is expanding at an unprecedented pace and is likely to surpass that of the US in the next couple of years to become the second largest in the world. India's metro network has increased significantly, from 229km across five cities in 2014 to 860km across 20 cities in April 2023. Moreover, construction is underway on metro rail projects covering 986 km in various cities such as Navi Mumbai, Pune, Madhya Pradesh, Kanpur, Agra, Meerut and Surat.



Ports

The maritime sector in India plays a crucial role in facilitating cargo transshipment. The sharp increase in cargo and transshipment volumes is encouraging states to construct greenfield ports. According to India Infrastructure Research, 22 new non-major ports, involving an investment of over ₹1.5 trillion, have been planned. Upon completion, these projects are expected to add over 690 Mn Ton per annum (mtpa) of capacity.





Railway Station in Andhra Pradesh on APL Apollo tubular construction

INFRASTRUCTURE FUNDING

To augment infrastructure development, the Indian government introduced the National Infrastructure Pipeline (NIP). The pipeline involves an estimated funding of more than US\$1tr over five years.

India also made headway in its plans for infrastructure development through a sovereign wealth fund. The fund is the National Investment and Infrastructure Fund (NIIF). NIIF was set up to manage investments and is intended to serve as a platform

for co-investment by global and domestic investors and multilateral development banks (MDBs).

The fund's primary focus is on infrastructure and growth equity. In October 2023, the government announced the launch of an India-Japan Fund through a partnership with the Japan Bank for International Cooperation (JBIC). The fund has sanctioned US\$600mn and is dedicated to investments in efforts promoting sustainability and low carbon emissions.

Further fostering the India-Japan strategic partnership, on February 20, 2024, the Japan International Cooperation Agency (JICA) announced that it has signed loan agreements for up to ¥232,209mn. These loans are dedicated to funding certain projects, which include road network connectivity projects, a freight corridor project and projects for climate change response and enhancement of ecosystem services in specific areas within India.

INDIA OF THE 21ST CENTURY IS WRITING ITS OWN SAGA OF PROGRESS AND DEVELOPMENT IN EVERY SECTOR.

AS THE COUNTRY CONTINUES ON ITS PATH TOWARDS BECOMING A GLOBAL ECONOMIC POWERHOUSE, THE NEED FOR ROBUST INFRASTRUCTURE BECOMES INCREASINGLY APPARENT.

WITH FUNDING CHANNELS BEING ESTABLISHED, POLICIES IN PLACE, AND AN EAGER PRIVATE SECTOR THAT IS MORE THAN WILLING TO SHOULDER THE RESPONSIBILITY OF WORLD-CLASS INFRASTRUCTURE CREATION, INDIA IS WELL ON ITS WAY TO MAKE THE BIG LEAP INTO THE TOP THREE ECONOMIES OF THE WORLD.

SO IS APL APOLLO TUBES.

Firmly rooted to support India's lofty ambition.

Structural steel and reinforced concrete are the main materials used in modern construction. Due to their respective benefits, steel and concrete are commonly used to complement one another in certain projects.

As the name suggests, structural steel tubes form the very structure of any real estate or infrastructure project. They offer considerable advantages over RCC structures in terms of speed of creation and strength.

1

DURABILITY

Structural steel is highly durable and can withstand the harshest weather conditions, earthquakes, fires, and other natural disasters. With a high strength-to-weight ratio and excellent ductility, steel structures maintain their durability throughout the life of the structure.

2

FLEXIBILITY

Easily moulded into various sizes and shapes, structural steel is a remarkably malleable material. This flexibility allows architects and engineers to create complex designs and structures that would be difficult to achieve with concrete. Using structural steel also means future expansions and modifications to the structure are made easy.

3

STRENGTH

Structural steel is unbeatable when it comes to supporting heavy loads. It is ideal for large-scale construction projects like skyscrapers, bridges, and stadiums.

4

SPEED

Steel structures can be erected quickly, minimising site disruption and allowing projects to be completed on time and within budget.



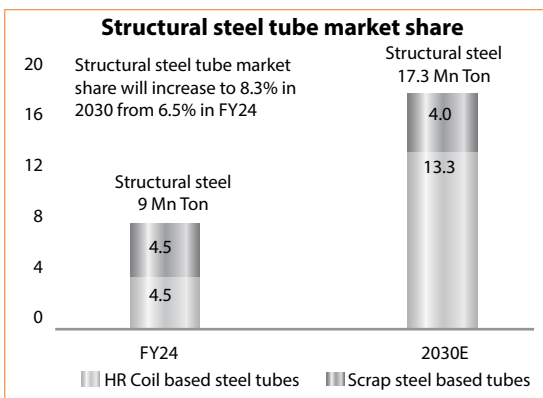
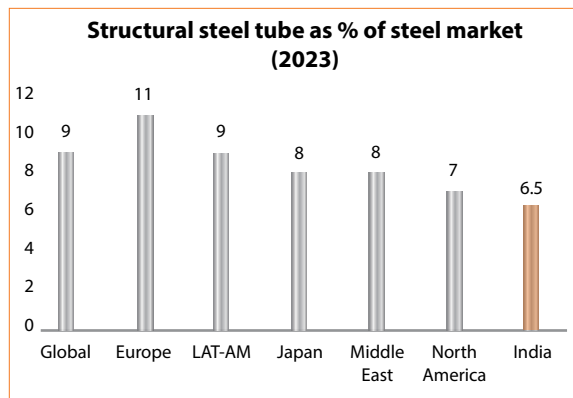
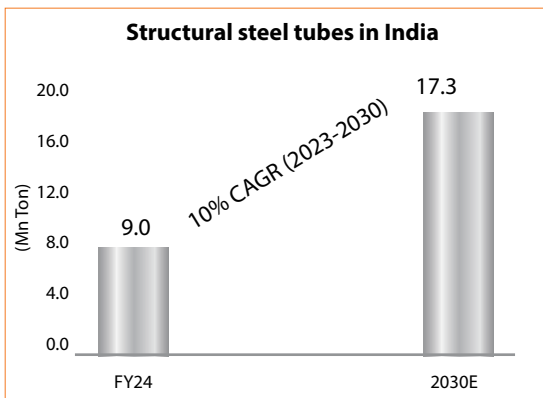


INFRASTRUCTURE DEVELOPMENT = STRONG DEMAND FOR STRUCTURAL STEEL TUBES

India's passion for redefining its skyline and unwavering zeal to

create world-class infrastructure across segments and locations will result in an orbital shift for the structural steel tubes sector. As a result, the underconsumption of structural steel tubes will correct

to the global average. Moreover, structural tubes are the only solution for certain creations, such as high-rise buildings and skyscrapers, long-span bridges and airports, among others.



Moreover, HR Coil based steel tube market (APL Apollo's addressable market) will grow significant faster vs scrap steel based tube market due to:

- Superior quality
- Deeper pockets to undertake large projects
- Better cost efficiencies for blast furnace HRC mills over local scrap steel melting mills
- Commissioning of new blast furnace HR mills in next 3-4 years which will increase supply of HR coil in India

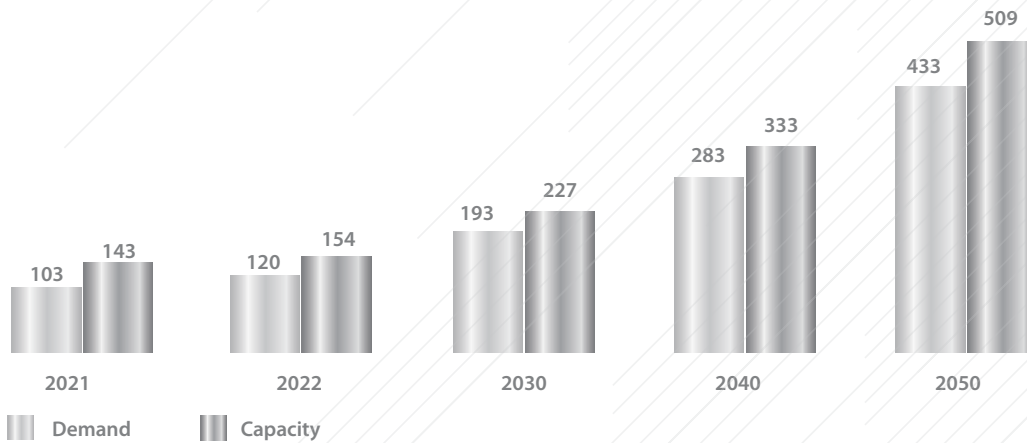
STEEL CAPACITY TO INCREASE

Indian companies are trying to increase production capacity to record levels to capitalise on growing domestic demand for steel amid a surge in economic activity and

infrastructure development. India is looking to enhance the domestic steel production capacity threefold to 500 Mn Ton per annum by 2047 with lower emission intensity. India's

leading steel companies, including JSW Steel and Tata Steel, plan to increase steel capacity by at least 22 Mn Ton in the 2024/2025 fiscal year.

Final figures are based on average of the four approaches outlined adjacently
Expected demand and capacity of crude steel in India (MT)



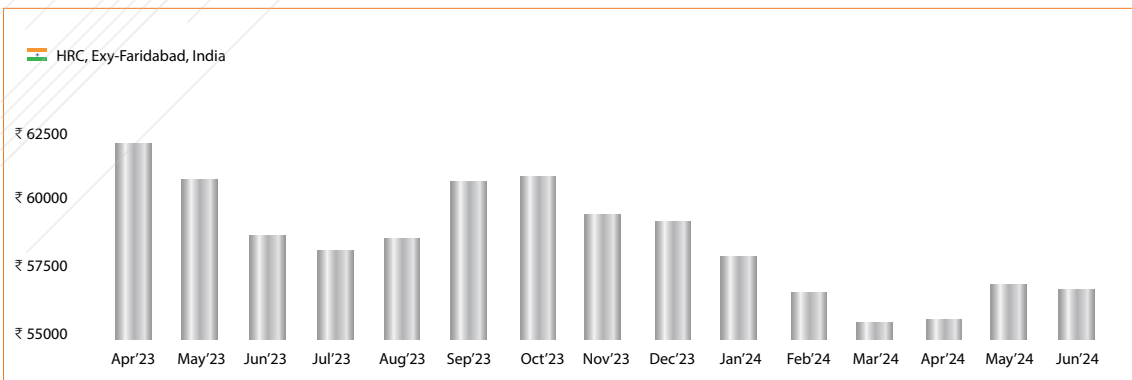
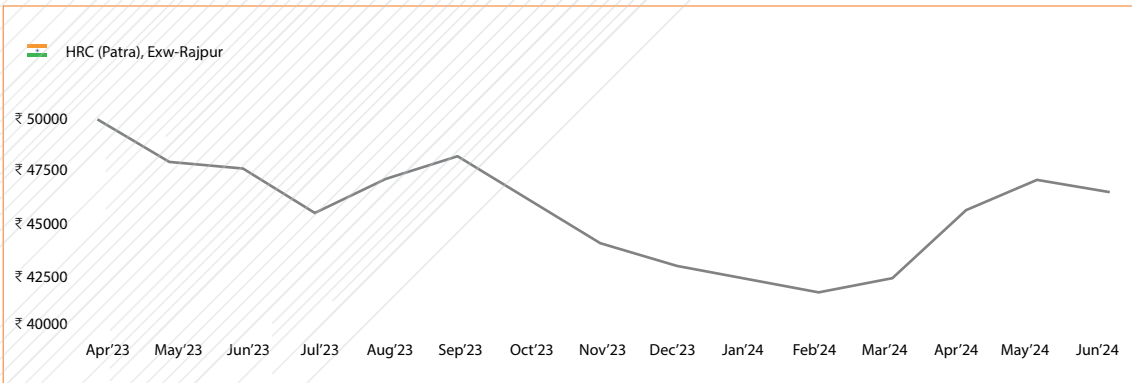
Source : KPMG Analysis (average of different approaches)

PRIMARY PLAYERS TO GAIN

The Secondary structural steel tube manufacturers exist because of the shortage of HR steel (which is about to correct itself) and hence higher cost of branded products. But this is about to change. With

new steel capacity expected to come on stream, which includes a large capacity of HR coils, the cost of production for primary structural steel manufacturers (using HR coils) would reduce substantially, allowing

them to eat into the share of the Patra steel players. Since APL Apollo is the single largest buyer of HR coils, the benefit to the Company is expected to be substantial over the coming years.





APL Apollo Tubes Limited: We are India's leader in structural steel tubes.

Over the last 4 decades, we have singularly focused on and patiently persevered to climb to the podium position in keeping with our unwavering belief that India will gain the global spotlight sooner rather than later.

We realised early on that India's ambitious vision would necessitate doing things never fathomed. Drawing blueprints that were unthinkable. Take a differentiated path with very few footprints. It required resources and inputs that were never manufactured in India. It mandated India Inc. to undertake a herculean effort – to ideate, innovate, implement and initiate.

Few mavericks decide to brave the odds and delve into uncharted spaces. Scorned and laughed at initially, these brave hearts today are at the forefront of supporting India in

its resurgence. APL Apollo features as one of the prominent names in that coveted cohort.

Having consistently invested in augmenting capacities and niche capabilities (read world-class technologies), APL Apollo is a leader in the structural steel tubes sector in terms of 1) manufacturing capacity, 2) manufacturing technologies, and 3) product range.

Nayi Sooch for a New India.

1) AT APL APOLLO, WE ARE REVOLUTIONISING THE WORLD OF STRUCTURAL TUBES.

We are the only structural tube player in the world with a massive product range extending from 8x8 to 1000x1000 mm with 0.18 to 40 mm thickness. This range consists of diverse products for a host of applications, many of which are a first for the Indian market.

Indian Market

Structural steel square and rectangular tubes:		Structural application in construction Industry
Pre-galvanized structural steel tubes (Apollo Z):		Corrosive resistant structural applications
DFT (Direct Forming Technology)		Faster TAT with tailor made sizes
1000x1000mm dia structural steel tubes:		Heavy structural application in Construction industry
Inline galvanizing (ILG)		Superior corrosive resistant product strong demand in coastal market

Global Markets







Chaukhat (Door frame shape tubes)		Replacing Conventional wooden door frames
Rectangular section of 1:11 (Length to Breadth)		Replacing Conventional wooden sections



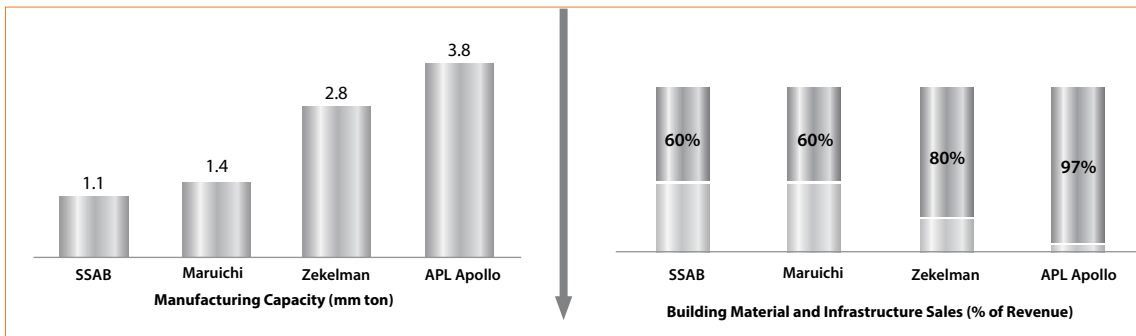
2) AT APL APOLLO, WE HAVE CREATED CAPACITY FOR VIKSIT BHARAT OF TOMORROW.

In the last decade, we have made passionate and patient investments in capacity building. We have moved from 1.05 Mn Ton in FY15 to 3.8 Mn Ton in FY24. The standout highlight in our capacity expansion blueprint is that with every project, we added cutting-edge global technologies that significantly enhanced our capabilities and widened our product basket.

Case in point: Our most recent greenfield facility at Raipur. It added about 1 Mn Ton capacity. More importantly, it stands out as India's most advanced structural steel tube manufacturing plant. We have developed a new product pipeline from the Raipur plant that is the first for the world and India.

<p>World's 1st thicker color coated products</p>		<p>Superior corrosion resistant, high load bearing with aesthetics</p>
<p>World's 1st Color coated structural steel tubes</p>		<p>Superior corrosion resistant with aesthetics</p>
<p>India's 1st 500x500mm diastructural steel tubes</p>		<p>Replacing RCC structures/columns in heavy construction</p>
<p>India's 1st and World's 2nd 1,000x1,000mm</p>		
<p>India's 1st CRCA Black annealed tube</p>		<p>High tensile light structural application; bendable; superior rust proof properties</p>
<p>India's 1st AluZinctubes</p>		<p>Superior rust proof properties and better life</p>

Our prudent capacity and capability matrix have positioned us as the leader in the structure tube space in India and the world. Moreover, our sharpened focus on building product and infrastructure applications positions us perfectly to capitalise on the burgeoning opportunities.



Proving on mettle on the ground

At APL Apollo, we are happy to share that we have developed the products successfully and deployed them on the ground.

Our showcase project of using structural tubes for six hospitals has worked well as we collapsed by construction time by 50% (if we are making it on tubes). It took 100 days to construct a hospital compared to 365 days if we would have made it through conventional method.

Having made a robust beginning, we are deploying our structural tubes in multiple large, critical projects.



HOSPITALS



UNIVERSITY BUILDINGS



RESIDENTIAL PROJECTS



COMMERCIAL DEVELOPMENT



RAILWAY STATIONS



AIRPORT PROJECTS



INDUSTRIAL PROJECTS

AS INDIA IS ABOUT TO CORRECT ITS STRUCTURAL TUBE CONSUMPTION, WE ARE MORE THAN READY TO SUPPORT OUR NATION IN ITS CLIMB TO GLOBAL GLORY

WE WILL MAKE THE MOST OF THE BURGEONING OPPORTUNITIES TO UNLEASH IMMENSE VALUE FOR ALL OUR STAKEHOLDERS.





From the Chairman's desk

“As India takes centre stage in the grand global narrative, APL Apollo finds itself uniquely positioned to contribute to this monumental journey. **We will continue to consolidate what we have built while looking at expanding our horizons.**”

Sanjay Gupta

Chairman & Managing Director

Dear Shareholders.

I am privileged to present APL Apollo's Annual Report for 2023-24. I hope this letter finds you and your families well and safe.

The macroeconomic volatility and geo-political factors dominated the global business environment during FY 2023-24. But India once again shone as the brightest star in a dulled horizon, making an appreciable contribution to global growth. With stellar economic progress, India is perfectly poised to take its rightful place as a leading economic powerhouse over the coming years.

Our performance in FY24

Your Company delivered a superior performance with double-digit growth across key metrics. Sales volumes increased by 15%, while Revenue from Operations grew by 12%. EBITDA and Net Profit increased by 17% and 14%, respectively, over the previous year.

I am satisfied that we progressed well, but the momentum could have been better. This lingering feeling is because we did not meet our budgeted numbers. We had estimated a sales volume of about 3 Mn Ton for FY24, and we fell short by about 13% of our guidance. A part of the shortfall was due to circumstances beyond our control (slowdown in offtake due to elevated inflation and interest costs), while a fraction

of the drop was due to the delayed commissioning of our Raipur and Dubai facilities.

On a positive note, our Raipur facility is largely operational as is our Dubai facility. While the Raipur unit will roll out super value-added products, shoring our profitability, our Dubai facility would emerge as a stepping stone to gain a stronger foothold in the global structural steel market.

The other important highlight of the years is the massive traction we have received for our Structural columns. Having demonstrated their robustness and relevance through our showcase hospital project in Delhi, we are working on 50-plus projects where we will be supplying our large columns for the superstructure. This is indeed a very heartening display of our market creation capability.

Cumulative, we are sitting on a solid platform, which will drive earnings for the next 2-3 years. I am very positive about sustaining profitable business growth over the medium term. My optimism stems from a single belief.

INDIA IS READY to play a more defining role in the world. Likewise, WE ARE READY TO SUPPORT INDIA IN ITS ASCENT.

My optimism

India is experiencing a construction boom which will only gather pace in the coming months and years. With the incumbent Government assuming power, we will see existing policies and schemes continue with increased aggression. The Government's unwavering thrust on creating world-class infrastructure will gather significant pace over the coming years.

Moreover, the real estate sector has a record pre-sales order book. With the Government and the RBI implementing mitigation measures to curb inflation and lower interest costs, developers would hasten project execution. This would also lead to a recovery in retail construction.

The bottomline is that infrastructure spending will scale new and dizzy heights, which augurs well for the structural tube space. Structural tubes will be in demand whether it is residential or commercial development. If you consider commercial or infrastructure development, the share of structural tubes is way higher than that of any other building product. It only showcases the promising prospects for structural tubes in the future.

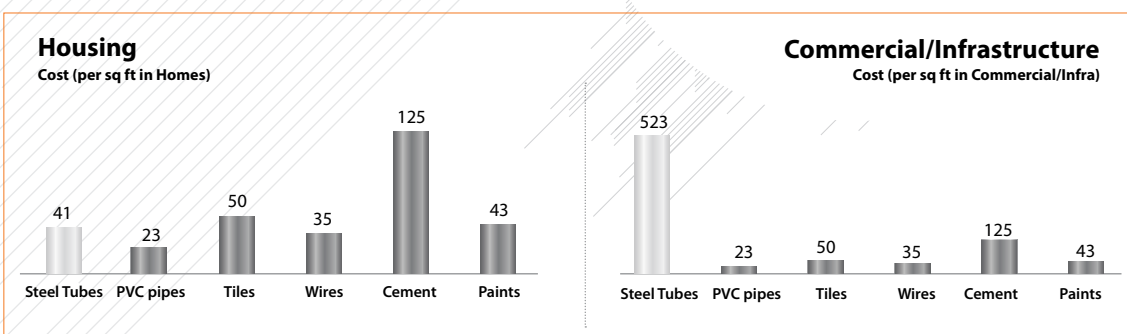
Our preparedness

We are perfectly positioned to capitalise on the construction boom which will play out in the nation in the next decade.

Our return on capital employed (the most potent matrix to analyse capital deployment efficiency) has been touching 30% despite a cumulative investment of about ₹18 Billion (in the new facilities) that has not started delivering the desired returns. As the returns from these investments kick in over the next two years, I aim to arrive at a 33-35% ROCE, which should unleash significant value for all our stakeholders.

13x

The opportunity quotient for structural steel tubes increases by 13x when used in commercial buildings against when it is used in residential buildings.



Capacity: FY24 marks an important milestone in our journey as we completed our massive capex programme of ₹2,672 cr in 5 years, which has increased our capacity to 3.8 Mn Ton as of March 2024. And we will expand our capacity to 5 Mn Ton in another 12-18 months, for which we will require a fraction of the amount – only ₹600 crore.

Product basket: We are the only structural steel tube company with an exhaustive product range from 8x8mm dia to 1,000x1,000mm dia. It allows us to service the construction industry for any kind of structure, any kind of construction. Moreover, our expansive and deeply entrenched distribution network can reach our products to any and every corner of the country.

Liquidity: After completing our massive expansion, we have a net cash Balance Sheet for the first time with a small cash balance of about ₹18 crore, which is particularly commendable. With a working capital cycle of only one day (the best in the construction material sector), increased volumes from two newly commissioned facilities and low capex intensity going forward, we should generate significant operating cash flow that will make the organisation increasingly solid and liquid. This competitive edge will allow us to embark on new ventures that align with India's progressive ambitions.

Strengthening sustainability

While we are focused on expanding our business progress, we also remain fixated on strengthening the sustainability fabric of the organisation.

We strengthened our ESG commitment, which helped us scale the DJSI Dow Jones Sustainability Index percentile from 80 in FY23 to 86 in FY24; our overall Environment Social Governance score was 40 last year versus 29 in the previous year. We expect a better score in the current year as we continue to improve on ESG parameters.

We have widened our Board further. I take this opportunity to welcome our four new Directors, Mr. H S Upendra Kamath, Mrs. Asha Anil Agarwal, Mr. Rajeev Anand and Mr. Dinesh Kumar Mittal, who come with deep knowledge and rich experience in diverse areas. Mr. H S Upendra Kamath is a distinguished banking professional with an illustrious career spanning over four decades in the Indian Banking Industry. Mrs. Asha Anil Agarwal is a former Principal Chief Commissioner of the Income Tax in the Indian Revenue Service, Ministry of Finance. Mr. Rajeev has been the Chairman and Managing Director of Goodyear, a leading tyre manufacturer. Mr. Dinesh Kumar Mittal comes from an Indian administrative background. His expertise will help us

improve our compliance with the fast-evolving regulatory framework.

In closing

India's economic narrative paints a bright picture. With a government-led push to infrastructure investments and pragmatic policies such as the production-linked incentives scheme, private capex has and will continue to witness a surge. This rise triggers a multiyear boom, providing valuable support to economic growth in the face of softening global demand and helping the nation retain its position among the fastest-growing global economies.

As India takes centre stage in the grand global narrative, APL Apollo finds itself in a unique position to contribute to this monumental journey. We will continue to consolidate what we have built while looking at expanding our horizons.

In closing, let me emphasise how grateful I am for all your support. It has been the greatest source of my strength, and we will do our utmost to uphold the trust you have put in me and my team. We are on a journey to create long-term value for all stakeholders, and I can say that there is a lot to look forward to.

Our best has just begun.

Sanjay Gupta

Chairman and Managing Director





Commercial tower in Odisha on APL Apollo tubular construction

FY24 Could Have Been Considerably Better.

We had estimated a sales volume of **3.00 Mn tons**. But ended the year with only 2.62 Mn Ton

We fell short by about 0.38 Mn tons.

- **70-80 K shortfall owing to weak demand in Q3FY24**
The cash crunch owing to high inflation and interest costs resulted in the overall slowdown in consumption activity, particularly in the retail sector.
- **20-25 K shortfall was owing to the late commissioning of the Dubai plant**
- **1-1.5 lac shortfall can be attributed to the delayed commissioning of our Raipur facility**
The facilities were originally scheduled for operations in the midyear, but the facilities started production towards the end of the year
- **1-1.5 lac shortfall was due to the throttled offtake owing to a slowdown in construction activities** (owing to the impending elections)

FY25 onwards... promises to be much better owing to favourable tailwinds.

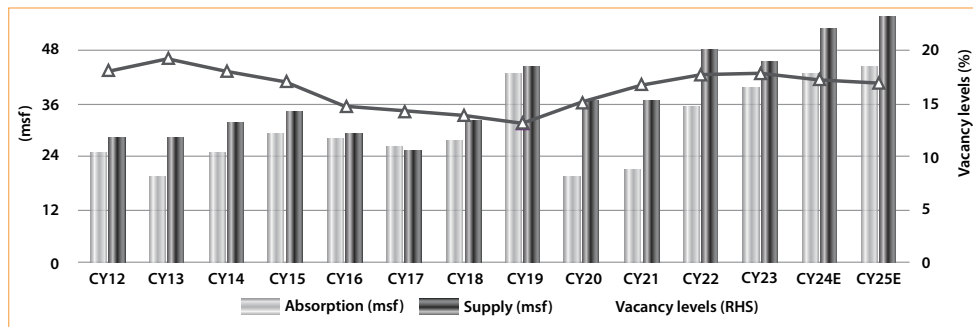
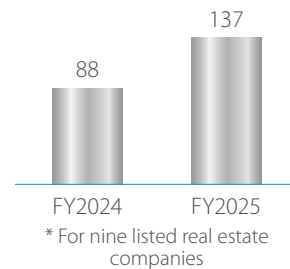
With the incumbent Government continuing in power, policies and schemes for infrastructure development are expected to gain momentum as we advance.

Stable interest rates and reigned inflation bolster the confidence of real estate developers, accelerating construction activities.

Residential real estate: industry experts' estimates suggest that new residential projects will only increase in FY25, further bolstering our optimism.

Commercial real estate: India's commercial realty cycle enjoyed an upswing post-CY13, with vacancies declining to 13.2% by end-CY19, from a peak of 19.7% in CY13. However, COVID-19 upset the trend, with supply being considerably higher than demand for both years. Going forward, as demand is increasing progressively, vacancies are correcting.

Strong launch pipeline*
(Mn. SFT)



Independent housing: In the post-pandemic era, the need and desire to own a haven have grown more than ever, and the requisites accompanying the desirability have shown a substantial shift. There has been a notable surge in demand for low-density housing options such as villas, rowhouses, and plotted developments.

Infrastructure: The Government's aggressive thrust on infrastructure development, especially airports, railway stations and large water storage solutions, will spur the demand for structural steel tubes. Additionally, large investments by the private sector in setting up hospitals, warehouses, educational institutes, etc... will accelerate the demand for structural tubes.

Considering the promising prospects, we have set ambitious targets for 2026

- | | | | |
|---|--|---|--|
| 1 | Dominant position with 60%+ market share | Company aims to continue its dominant position in Indian Market | ✓Capacity: 5 Mn Tons with Capacity Utilization of 80%+ |
| 2 | Product innovation | Create formidable position in newer product category (Super Heavy and Coated) | ✓Revenue 2X |
| 3 | Strengthen presence in Global Markets | Aim to enhance global presence and have 10% share of the overall sales | ✓EBITDA 2.5X |
| 4 | Customer Centricity | With Investment in B2C app, use of Bollywood and Sports for brand pull, we have strong focus on customer centricity | ✓70%+ revenue from Value Added Products |
| 5 | Recognized Player on ESG Front | Significant focus on ESG | ✓10%+ of sales from Exports |



About The Company

APL Apollo is India's largest structural tube player.

APL Apollo is a proxy to India's infrastructure creation journey that is only getting more exciting with every passing year.

In keeping with its ambition of strengthening India's infrastructural backbone, the Company has created a huge array of products for every conceivable application. Its product basket includes a huge variety of colour coated roof tuff, pre-galvanized tubes, Structural Steel Tubes, Galvanized Tubes, MS Black Pipes and Hollow Sections, positioning APL Apollo as one of India's leading branded steel product manufacturers.

The Company's widely spread and deeply entrenched multi-tier distribution network ensures its products are always available to every customer segment across the vast Indian landmass.

As a deeply environment-respecting organisation, the Company has gone above and beyond to make sure its business operations do not burden the planet. Owing to its unwavering focus on being a responsible enterprise, APL Apollo's rating has scaled up on the Dow Jones Sustainability Index (DJSI) for three consecutive years.

Vision

To be a global leader and high-performing organisation recognised for excellence, governance, customer delight and building long-term relationships with all partners.

Mission

- Pursuing Excellence towards achieving our economic, social and environmental goals.
- To lead the process of transformation from commodity to value-added consumer products.
- To meet consumer requirements with high-quality products at competitive prices.
- Emerge as a one-stop shop for the largest spectrum of structural steel tubes and to attain the pole position.
- To create sustainable value for all stakeholders.

Values

LEADERSHIP BY				
EXAMPLE	COMMITMENT	TRUST	INNOVATION	INTEGRITY



MES Housing in Delhi on APL Apollo tubular construction

NUMBERS THAT DEFINE US

1 World largest structural steel tube manufacturer	11 Manufacturing Facilities	3.8 MnT Manufacturing Capacity
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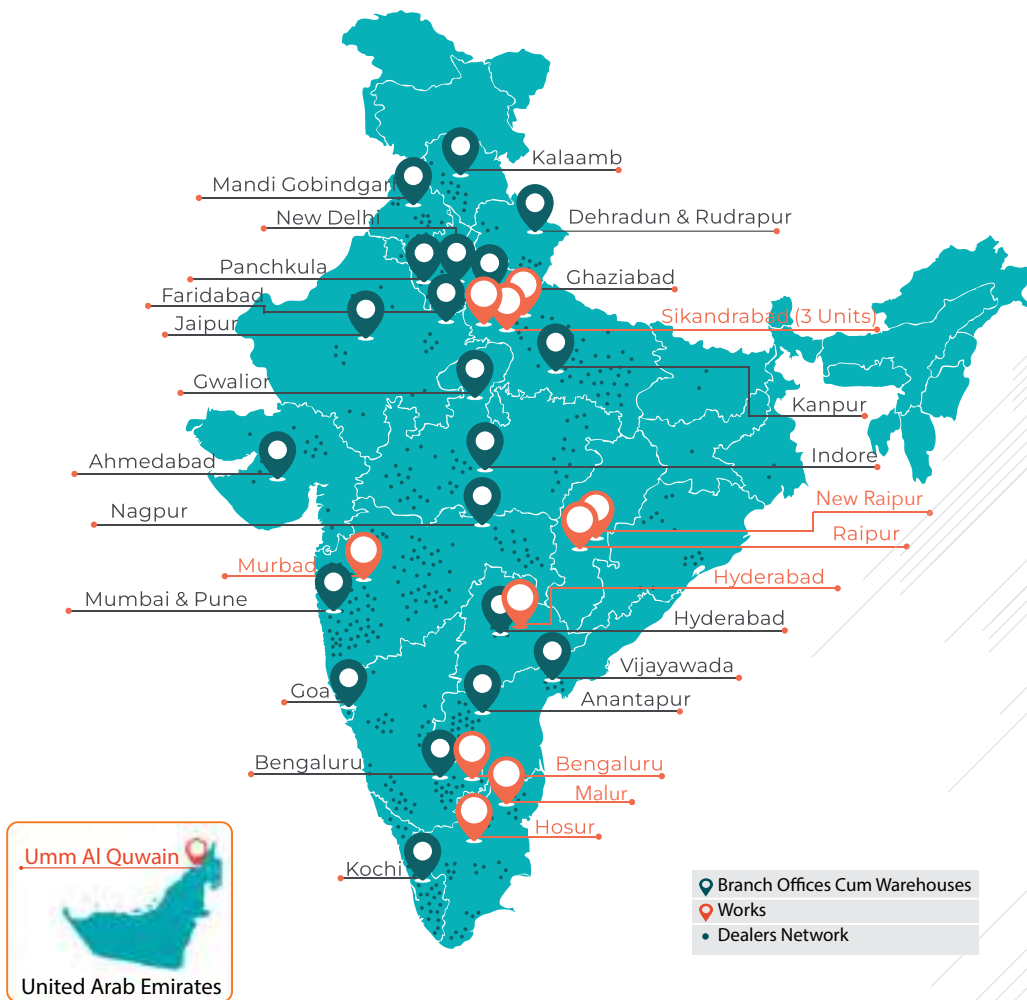
2,500+ Products	800+ Distributors	55% Market share
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18,119 Revenue (₹ crore)	1,192 EBITDA (₹ crore)	732 Net Profit (₹ crore)
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41,495
Market capitalization, BSE as on March 31, 2024
(₹ crore)

OUR PRESENCE

On The Map



Noida

Headquartered in the NCR region.

11

Manufacturing facilities

29

Sales Offices

800+

Dealers

2,000+

Cities and towns in which APL's products are available

2,00,000+

Fabricators, architects & engineers

At Your Fingertips



4,34,921

Facebook followers



13,521

X followers



78,152

Instagram followers



18,761

LinkedIn followers



PRODUCTS & BRANDS

APL Apollo stands out in the steel tube sector with its fearless mindset to explore uncharted spaces, zeal for innovation, and risk appetite for deploying new technology. This unique approach has led to the creation of the largest product basket in the industry, catering to diverse applications.

APL Apollo is the only company in the world to make steel tubes with a size range of 8x8 mm to 1000x1000mm and a thickness range of 0.18 mm to 40 mm. This massive diversity enables it to widen its opportunity landscape and grow business sustainably.

Our Product Brands And Their Application

PRODUCT CATEGORY	APPLICATION	PRODUCT PICTURE	PROPORTION OF SALES MIX
Apollo Structural			68%
Residential Buildings & Independent Homes	Structural, Piling, Sheds, Handrails, Gates, Fencing, Balcony Grills, Staircase, Light Structures		44%
Infrastructure	Structures for Metros, Airports, Stadiums, Stations etc		10%
Commercial Buildings, Warehouses & Factories	Heavy Equipment for construction		14%
APOLLO Z			27%
Residential Buildings & Independent Homes, Commercial Buildings, Warehouses & Factories	Galvanized structural steel tubes for coastal markets		22%
Commercial Buildings, Warehouses & Factories			5%
Apollo Galv			5%
Commercial Buildings	Galvanized Structural, Greenhouse Structures, Plumbing, Firefighting		1%
Industrial & Agriculture			4%

Our Product Brands And Their Application

63% Building Material (Housing)	19% Building Material (Commercial)	13% Infrastructure	5% Others
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OUR COMPETITIVE MOAT





Hospital in Delhi on APL Apollo tubular construction

SCALE

Over the years, APL Apollo has consistently invested in building capacity with a purpose – to establish a pan-India presence. And in doing so emerge as the dominant player in the structural tube space. Having achieved the podium position in India in its business space, the Company is now looking to establish a strong presence in the global market. It has established its first international facility in Dubai which was commissioned in FY24.

TECHNOLOGY

At APL Apollo, capacity expansion does not just add to the volumes. It begets new technologies that widen the Company's capability matrix to enhance productivity and populate the product basket with future-relevant products. Case in point: The recently commissioned Raipur facility houses new technologies that generate pioneering products.

PRODUCTS

At APL Apollo, the undying thirst for transforming construction in India has enabled it to create a huge basket of building products catering to diverse applications. Being environment friendly, these products have fast gained acceptance among builders and infrastructure developers across India. Currently, the Company's product basket caters to every possible requirement in the building product space. The Company's focus on value addition has pushed its team to go beyond boundaries to develop path-breaking solutions that redefine construction norms. Its recently commissioned Raipur facility is dedicated to value-added products.

DISTRIBUTION

The Company has established a strong, multi-tiered distribution network that serves all of India's consumer markets. In the structural tube market, this is India's largest distribution network. For efficient business management and quick product delivery, the company's 29 branch offices and warehouses have supported the sales channel. The company's capacity to add cutting-edge products to its shelves allows it to grow its network every year.

BRAND & PREMIUM

At APL Apollo, product quality and awareness occupy the centre stage. The team maintains a hawk-eye on sustaining product quality through institutionalised processes, clearly defined SOPs and automation solutions. Further, the Company, through its aggressive and sustained branding campaigns, have transformed its steel products into brands which are showcased by celebrity brand ambassadors namely Akshay Kumar and Amitabh Bachchan. The large and growing product basket, excellent product quality, and sustained branding have enabled the Company to earn a premium for its products.

COST BENEFIT

The massive scale of operations provides benefits to the Company, which allows it to progress against all odds.

- It is the largest purchaser of HR coils in India, giving it considerable negotiating power.
- It generates appreciable economies of scale to weather tepid demand.

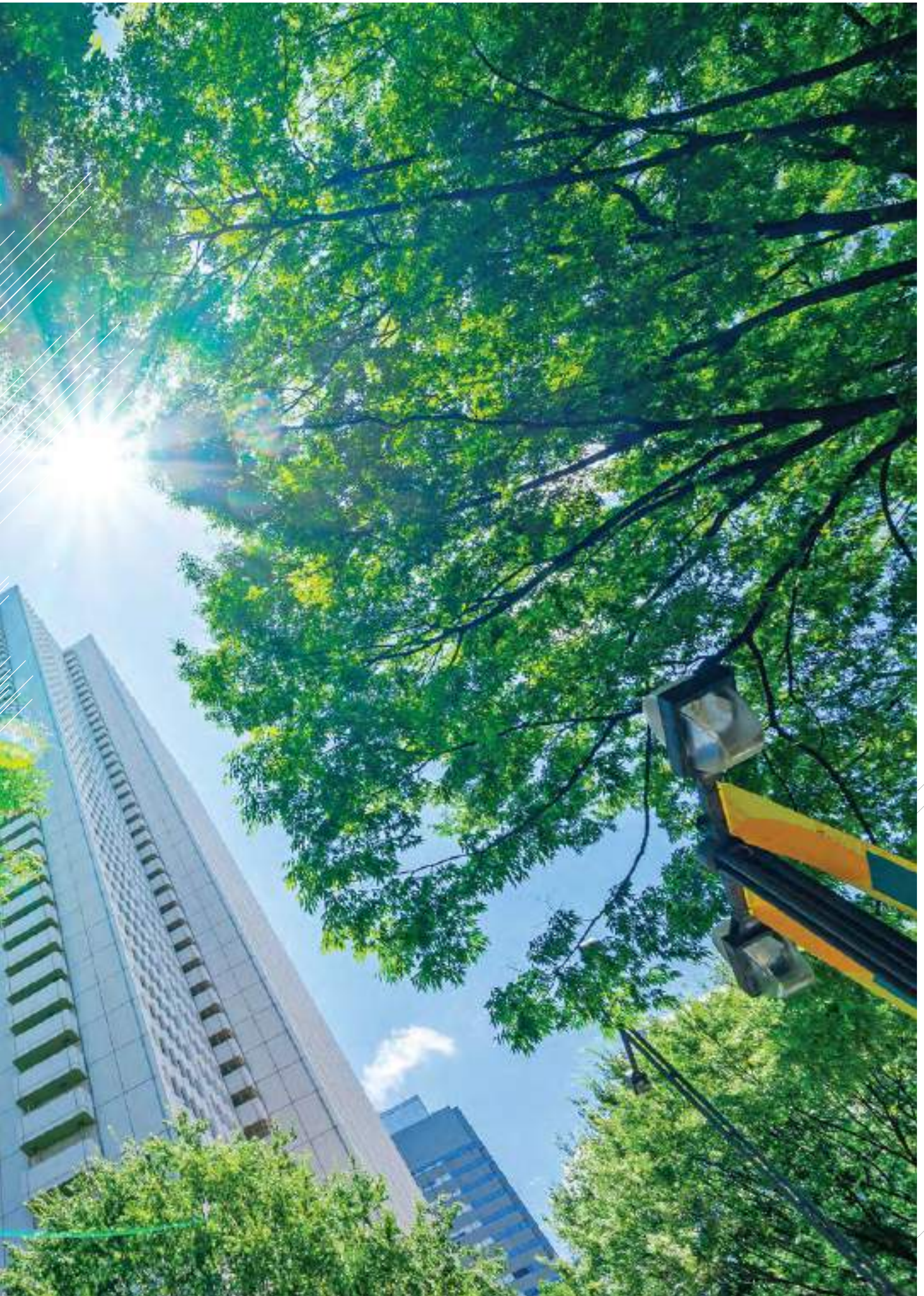
Operating Environment

THE YEAR THAT WAS

The past year has been a roller coaster ride, starting with India facing challenges like high interest rates, high inflation, and a significant transformation in the steel sector after almost 3-4 years. However, we emerged strong.

Currently, India is experiencing a construction boom, evident from the record presales order book of real estate developers, increased infrastructure spending and the recovery in retail construction demand.

We view this as just the beginning of APL Apollo's journey toward robust future expansion.





Q1/FY24 (April-June'23)

SNAPSHOT



662k ton
Sales Volume
56% yoy increase



₹45.4 Bn
Revenue
32% yoy increase



₹3.19 Bn
EBITDA
58% yoy increase



₹4,645
EBITDA/ton
1% yoy increase



57%
Value Added Sales mix
Q4FY23 was 54%



₹271 Mn
Interest Cost
172% yoy increase



₹1.9 Bn
Net profit
60% yoy increase



₹2.3 Bn
Cash profit
56% yoy increase

ECONOMY

According to National Statistical Data, India's economy expanded in the April-June quarter at its quickest rate in a year. In addition to a favourable base, the first quarter's 7.8% GDP growth was driven by a sharp increase in government capex spending, firm services momentum, and improved consumption. However, the unpredictability of major international markets weighed on the manufacturing sector's growth – it slowed to 4.7% in the first quarter.

(Source: Business Today)

MANAGEMENT COMMENTARY

Sales volume in the first quarter was strong despite volatility in raw material prices. The company achieved its highest quarterly volume of 6,61,501 Ton. However, global destocking led to significant price erosion, impacting on the company's EBITDA per Ton.

Despite the record sales volume providing a strong start to the year, first-quarter EBITDA slightly missed our expectations. The outlook for the coming quarters remains positive. Our gross margin spreads indicate that Raipur's stabilized EBITDA spreads, ranging from ₹6,000 to ₹7,000 per Ton, were promising.

Regarding our Raipur plant, which is a mix of our innovative products, market creation has become very important. So glad to share that for the heavy structural segment with the market creation efforts, we have got more orders for railway stations, airports, commercial buildings, high-rise building etc, some of

the live sights we had shown in our presentation as well. So the conviction and confidence remain very high, that with our products, we are going to revolutionize the construction industry and these new products will help us achieve our volume targets over the next 2 years to 3 years.

Our other value-added products, such as coated products, which are seeing strong demand from our distributors and yield high EBITDA spreads gives us confidence that we can ramp up the Raipur plant to 500,000 to 600,000 Ton this year, and eventually reach 1 Mn Ton by FY '25-'26. We are also in conversation with contractors and other authorities to grow our presence in this business space.

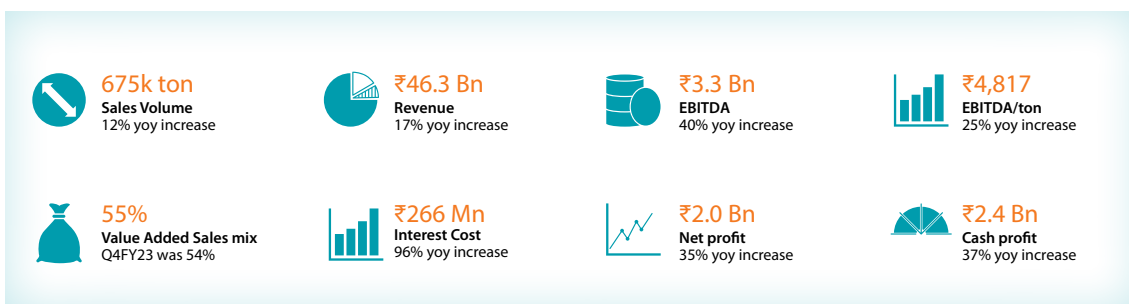




Hospital in Meghalaya on APL Apollo tubular construction

Q2/FY24 (July-September'23)

SNAPSHOT



ECONOMY

Surpassing the analysts' expectations, India's GDP witnessed a growth of 7.6% on an annual basis in the second quarter. The manufacturing sector grew 13.9% after a contraction of 3.8% in Q2FY23. The sharp upside surprise to the second-quarter GDP figures comes in the backdrop of a broad-based pickup across most non-agricultural sectors.

MANAGEMENT COMMENTARY

The company reported excellent performance, with sales volume reaching 6,74,761 Ton, a 12% YoY increase. The value-added proportion was slightly lower due to a decline in Apollo Z sales, which were affected by heavy monsoons and floods in coastal markets.

EBITDA per Ton remained stable at ₹4,817, within the target range of ₹4,500 to ₹5,500 per Ton. Working capital days also remained steady at five days. In H1, operating cash flow to EBITDA was 76%, enabling the management to fund a capex of ₹ 3.6 billion.

The ROCE at the company level (including the Raipur plant) was 32%, despite the plant generating sub-optimal EBITDA. Export sales increased by 28% YoY in Q2. Once the utilization level reaches its optimum level in the next two to three years, the EBITDA from Raipur should increase by at least threefold.

The new facilities in Raipur and Dubai ramped up operations at an encouraging pace, supporting medium-term business growth. At our Raipur facility, the third complex for super light tubes have started operations.

We have decided to take an aggressive marketing approach by appointing Bollywood superstars Amitabh Bachchan and Akshay Kumar. The campaign will be rolled out over the next one to two months, featuring a 360-degree strategy with outdoor hoardings, television, and social media campaigns.

Q3/FY24 (October-December'23)

SNAPSHOT



604k ton
Sales Volume
Unchanged YoY



₹41.8 Bn
Revenue
3% YoY decline



₹2.8 Bn
EBITDA
2% YoY increase



₹4,631
EBITDA/ton
3% YoY increase



59%
Value Added Sales mix
FY23 was 56%



₹285 Mn
Interest Cost
53% YoY increase



₹1.7 Bn
Net profit
2% YoY decline



₹2.1 Bn
Cash profit
4% YoY increase

ECONOMY

The country's gross domestic product (GDP) for the October-December quarter grew 8.4%, surpassing all estimates. Strong manufacturing and robust services sector growth in Q3 FY 2024 have further contributed to the high growth. Government policies and stimulus measures aimed at boosting economic growth, such as infrastructure spending, tax incentives, and monetary policies supporting credit availability, could have contributed to economic expansion.

MANAGEMENT COMMENTARY

The Company's performance was a mixed bag. While sales volumes were similar to the corresponding quarter in the previous year, revenue dipped marginally by about 3% owing to pricing pressure.

The heartening positive was a decent uptick in the share of value-added products in the revenue mix. It helped in improving profits and profitability. EBITDA and EBITDA per Ton scaled by 2% and 3% YoY, respectively.

The company's underperformance in Q3 was attributed to elevated domestic steel prices in Oct- Nov'23 at a time when international steel prices were declining. Domestic steel producers kept prices high in Oct-Nov'23 because new steel capacities coming online after a gap of 3-4 years. This led to channel destocking for almost 8 weeks. Over and above this, a minor delay in the commencement of production at our Raipur and Dubai plants and subdued consumer discretionary spending resulted in weak performance.

In the December Quarter, the company's working capital decreased slightly to 9 days due to volume loss in Q3, leading to an inventory buildup, which is now gradually normalizing. We anticipate returning to mid-single digit working capital as we approach the close of our March quarter.

Our Raipur facility continues to expand its capability matrix. In this quarter, we initiated the production of thicker coated sheets.

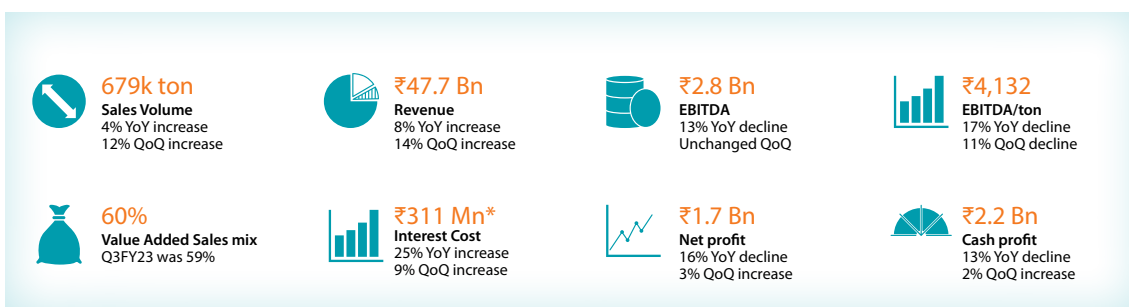
For our Dubai facility, we are on track to reach 25,000 Ton per month by June. Additionally, we have plans to expand capacity in Dubai by an additional 0.2 Mn Ton, bringing the total capacity of our Dubai plant close to half a Mn Ton.

In India, we have bolstered our export department and are establishing warehouses in key locations such as Liverpool, Houston, and Melbourne, in addition to existing ones in Europe and the USA. Over the next one or two years, we aim to enhance our export market presence.

University in Greater Noida (UP) on APL Apollo tubular construction

Q4/FY24 (January-March'24)

SNAPSHOT



ECONOMY

Surpassing the analysts' expectations, India's GDP witnessed a growth of 7.6% on an annual basis in the second quarter. The manufacturing sector grew 13.9% after a contraction of 3.8% in Q2FY23. The sharp upside surprise to the second-quarter GDP figures comes in the backdrop of a broad-based pickup across most non-agricultural sectors.

MANAGEMENT COMMENTARY

The quarter witnessed a better performance than the third quarter of FY24. Sales volumes increased while EBITDA and Net Profit declined compared to the corresponding quarter of the last year. When compared to the third quarter of FY24, sales volume, revenue and Net Profit increased, albeit with a drop in EBITDA per Ton for the quarter.

In FY24, we anticipated better results following a year of disruption (FY23). Our target was to achieve a sales volume of 3 Mn Ton, but we only managed 2.62 Mn Ton, resulting in a shortfall of about 350,000 Ton. Full operation of our Raipur and Dubai facilities, though slightly delayed, is a significant positive as it is expected to make a substantial contribution to the Company's performance.

For the first time, we closed our balance sheet with a net cash position of ₹185 Mn. This achievement is commendable, especially considering the substantial capex of ₹24 billion over the last four years.

Our Operating Cash Flow to EBITDA has consistently exceeded 90%, with net working capital days at just 1 day as on March 2024, particularly since transitioning to a cash and carry business model in FY21.

The decrease in steel prices had a marginal impact on channel destocking, leading us for an aggressive product promotion and offering discounts, leading to a ₹200 to ₹250 price erosions in EBITDA per Ton compared to the previous quarter.

While the ROCs may seem optically around 30% for the entire company, this is considering after the substantial investments we made in the Raipur and Dubai plants. These investments are expected to yield results in the next two years, potentially pushing ROCs beyond the target range of 35% to 38%.

Our ESG performance is a crucial metric for our management. Our DJSI (Dow Jones Sustainability Index) percentile has increased to 86 percentile in 2023 from 80 percentile in 2022, with our overall Environment, Social, and Governance score improving to 40 from 29.

Moreover, India's current construction boom cycle, evident from record presales order books with real estate developers, anticipated recovery in retail construction demand post-elections and interest rate adjustments, along with anticipated infrastructure spending by the government and private sector, are all positive indicators for future growth.

Key Performance Indicators

Strengthening India's infrastructure delivered solid returns

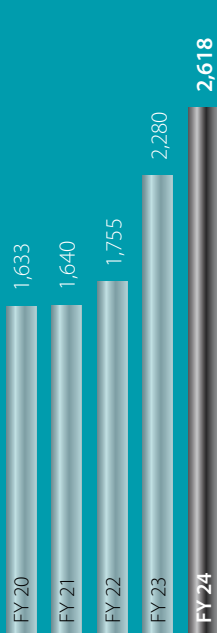
APL Apollo delivered a strong performance in the face of strong inflationary headwinds and elevated interest costs, which could have derailed the Company's progress. The determined efforts of the team and disciplined execution of its blueprint allowed the Company to sustain its progress in a fiscal riddled with roadblocks.

Our Unstoppable Journey: Continuing The Momentum

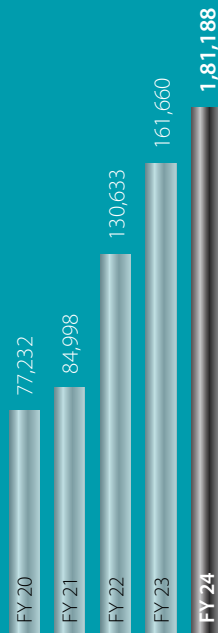
A strong resurgence in real estate coupled with the unwavering efforts of creating infrastructure for a New India helped expand business volumes by 15% and revenue from operations by 12% over the previous year. The delayed commissioning of the sprawling Raipur facility impacted the Company's ability to meet its budgeted volumes and revenue. However, the full benefit of this strategic investment would be reflected in the Company's performance in the current year and beyond.



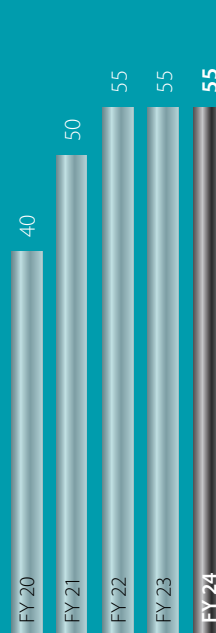
Sales volume
(’000 Ton)



Revenue From Operation
(₹ mn)



APL's Market Share (%)





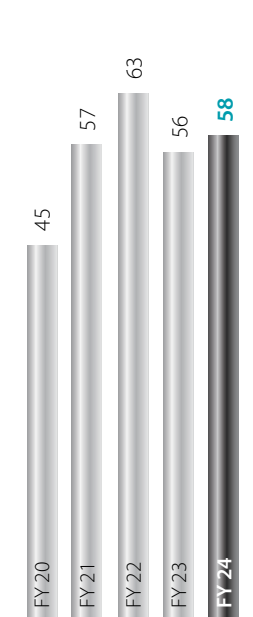
2

Our Profitable Operations: Against all odds

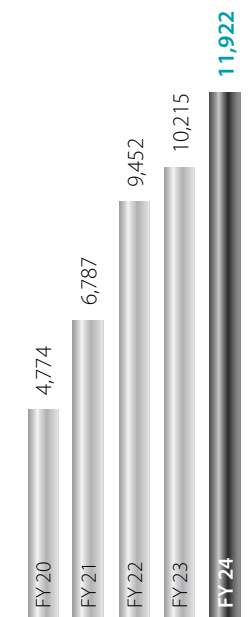
This year was a test of strength and stability as headwinds promised to erode business margins and dampen profits. In the face of these challenges, the Company delivered a very satisfying performance with an appreciable uptick in profits and profitability aided by an improvement in the share of value-added products in its sales mix. The improvement vindicates the accuracy of the Company's strategic blueprint to innovate new products for a New India. It inspires the team and the management to sustain its passion for value addition.



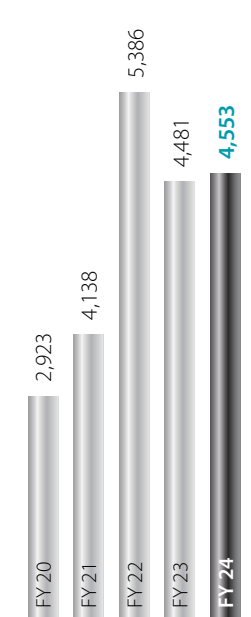
Share of value-added products in sales mix (%)

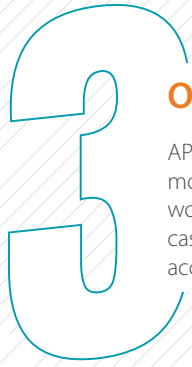


EBITDA (₹ mn)



EBITDA per ton (₹)



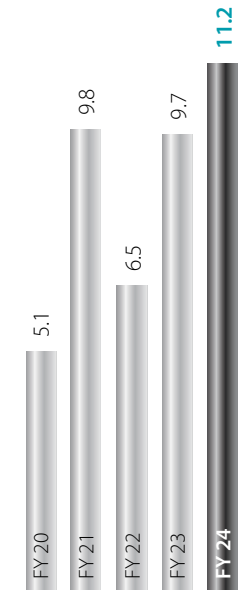


Our Organisational Solidity: Through Business Liquidity

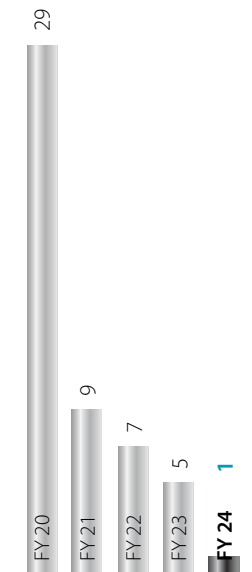
APL Apollo sharpened its focus on sustaining operational liquidity by aggressively following its cash and carry model (leveraging its product innovation and brand quality). This culture helped it to achieve an unprecedented working capital cycle of 1 day and ushered in considerable liquidity – reflected in a sizeable jump in operating cash flow. The Company prudent deployed its funds to deleverage its financial statements and invest in return-accruing infrastructure. A strategy that will improve business profitability over the coming years.



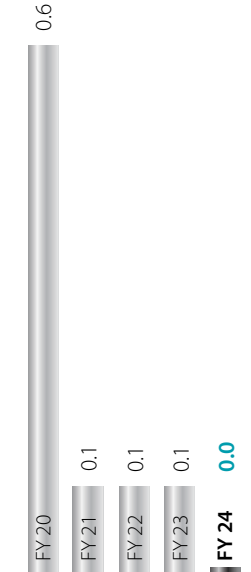
Operating cash flow
(₹ bn)



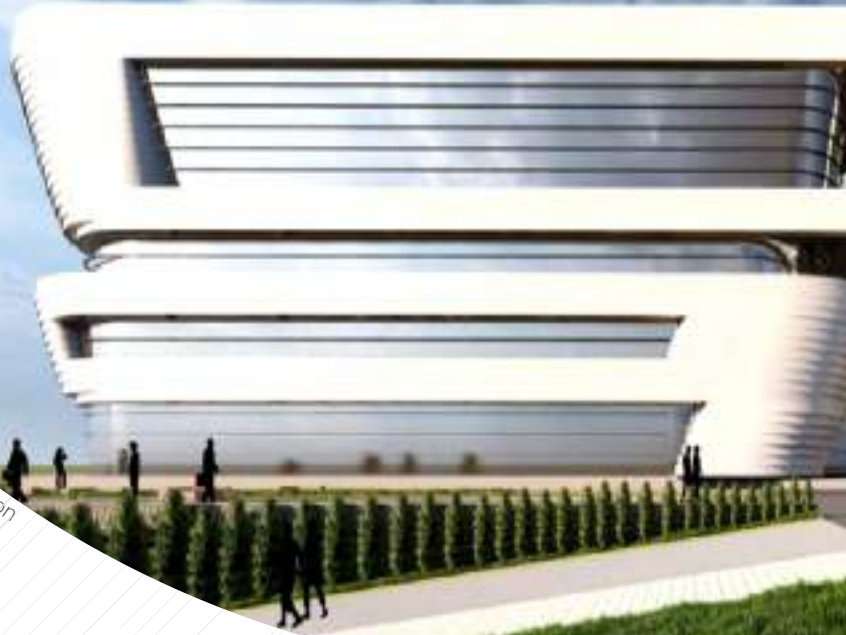
Net working capital cycle
(days)



Net debt / Equity
(X)



University in Hyderabad on APL Apollo tubular construction

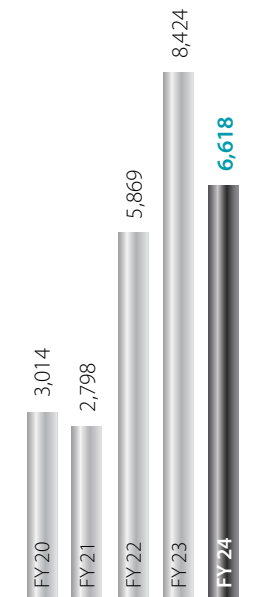


Our Improving Returns: And Continuing Investments

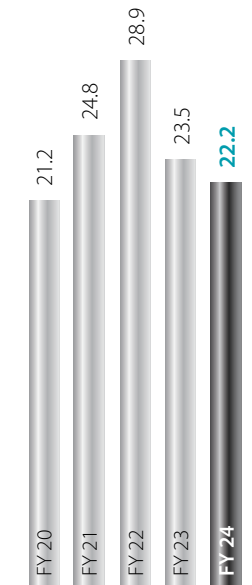
APL Apollo has intelligently invested in building capacity. Each capital investment has brought in new technologies and new capabilities that have enabled the Company to launch India-first products. The unflinching passion for walking the road less travelled has created market spaces and positioned the Company at No. 1 in a market of one. As a result, even as the Company increased capital investments, its returns from the capital employed in business have progressively increased. It is a unique phenomenon for a capital-intensive business.



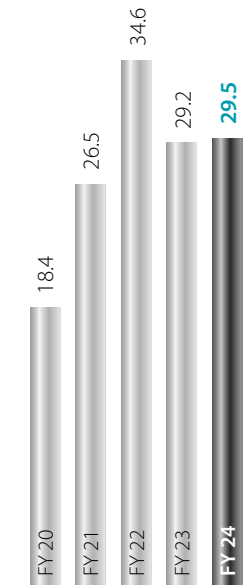
Capex
(₹ mn)



Return on Equity
(%)



Return on Capital Employed
(%)



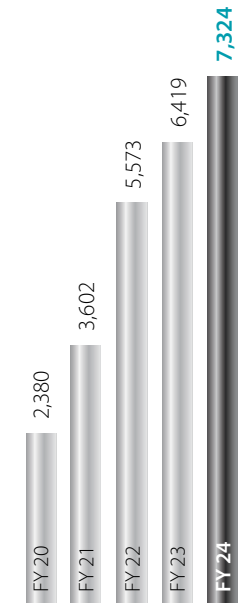
ES

Our Satisfaction Quotient: Rewarding Shareholders

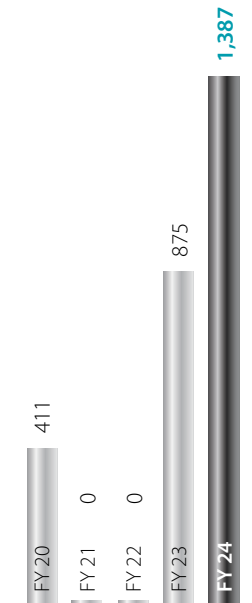
APL Apollo has believed in and consistently rewarded shareholders in multiple ways. The most potent reward has been the steadily improving profits and profitability, which has created enormous wealth for its shareholders. Moreover, the Company has rewarded its shareholders with high dividend payouts and bonus issues (One bonus announcements in the last decade) that have positioned APL Apollo as a preferred investment avenue for value-driven shareholders.



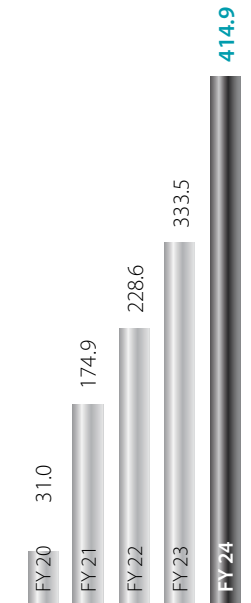
Net Profit
(₹ mn)



Dividend payout
(₹ mn)



Market capitalisation
(₹ bn)



Stakeholder Engagement

Our stakeholders play an important role in our long-term success by often helping us make important decisions about the Company's development opportunities, expansions or structural changes. This is because we have a strong stakeholder engagement process through which we have been able to understand the needs of our stakeholders. This has empowered us to capitalize on opportunities and foster prosperous relationships.



1) Shareholders & Investors

They play a direct and indirect role in the company's operations thereby contributing to the Company's growth plans.

KEY CONCERNS

- Ethical business practices.
- Sustainability of the business.
- Strategy implementation.
- Inclusivity and transformation.

VALUE PROPOSITION

- Ensure consistent returns on investments.
- Invest in highly profitable and best-in-class assets with an integrated value chain.
- Focus on deleveraging and funding profitable growth.
- Ensure high governance standards, transparency and credibility of financial and non-financial disclosures.

ENGAGEMENT APPROACH

- Investor calls
- Analyst Meets
- General Meetings

ENGAGEMENT FREQUENCY

Ongoing



2) Employees

Our people are truly the lifeblood of our organization. Their expertise and passion are vital for sustaining our profitable business growth.

KEY CONCERNS

- Skill development
- Well-being
- Retention
- Employee satisfaction

VALUE PROPOSITION

- Fair compensation
- Motivating reward and recognition schemes
- Skill development programs
- Fair performance management structure
- Opportunity for cross-functional shifts for career development

ENGAGEMENT APPROACH

- Employee engagement initiatives
- Continuous interaction with management appraisals
- Grievance redressal mechanism

ENGAGEMENT FREQUENCY

Ongoing



3) Suppliers/Partners

The timely provision of high-quality materials and services is a prerequisite for our operational efficiency.

KEY CONCERNS

- Timely payments
- Service satisfaction
- Product awareness
- Visibility and relationship management

VALUE PROPOSITION

- Sustain timely payment of dues.
- Enhancing capabilities through skill development.
- Communicate business strategies and growth plans proactively.
- Provide interesting growth opportunities through capacity increase and product diversity.

ENGAGEMENT APPROACH

- Regular meetings with key suppliers
- Supplier tour of manufacturing facilities.
- Performance recognition forums

ENGAGEMENT FREQUENCY

Ongoing



4) Dealers

They are the Company's front-end; their passion and performance impacts the Company's sales volumes.

KEY CONCERNS

- Timely product delivery
- Clear business practices
- Open communication channels
- Business growth opportunities

VALUE PROPOSITION

- Strong dealer incentives
- Simple, transparent and growth-inducing business policies
- Multiple channels for communication with the Company
- Regular introduction of new products to increase footfall
- Motivating reward and recognition scheme

ENGAGEMENT APPROACH

- Regular dealer meets
- Dealer tour of manufacturing facilities
- Annual dealer functions
- Product launch events

ENGAGEMENT FREQUENCY

Ongoing



5) Customers

They are our guiding beacons for their requirement becomes our opportunity window and their insightful feedback emerges as the platform for improvement.

KEY CONCERNS

- Deliver quality products that provide superior value for money
- Widen the product basket with products that are relevant with the changing times.
- Using digital tools to improve the consumer experience on all routes to market

VALUE PROPOSITION

- The widest array of products for diverse applications
- Unique products that are a first for the Indian consumer
- A bouquet of services to assist customers in installation
- Multiple channels created for communication between the end-consumer and the Company

ENGAGEMENT APPROACH

- Influencers
- Channel partners

ENGAGEMENT FREQUENCY

Ongoing



6) Community

Maintaining amicable relations with communities in which we operate is essential to our social license to operate. They are essential to our operations and collaborators in our advancement.

KEY CONCERNS

- Investment in community development initiatives
- Implement skill development programmes for employability
- Focus on sustainability

VALUE PROPOSITION

- Enable lasting betterment in the well-being of communities in the operating region through regional development models prioritising the excluded and those proximate to business operations
- Addressing core development gaps at a national scale through replicable models of development

ENGAGEMENT APPROACH

- Need-based assessment surveys
- Community visits by the Company's executives
- Periodic cultural meets

ENGAGEMENT FREQUENCY

Ongoing



7) Earth

The earth provides every resource necessary to keep the business going.

KEY CONCERNS

- Reduce carbon footprints
- Environment friendly products
- Clear business practices

VALUE PROPOSITION

- ESG initiatives

ENGAGEMENT APPROACH

- Undertake targeted initiatives to reduce our carbon footprint working in close association with value chain partner and stakeholders.
- Following the Steel for Green mantra

ENGAGEMENT FREQUENCY

Ongoing/Annually/
Quarterly

MATERIALITY ASSESSMENT

APL Apollo follow a strategic process to identify, refine and assess various priority matters. It allows the Company to take necessary actions for reliable value creation and to successfully understand the influence of its business on stakeholders and vice-versa.



At Apollo, the strategic relevance of each topic to the business, stakeholders, and the social, economic, and environmental implications of each topic throughout the value chain determines the ranking of its material topics.

MATERIALITY ANALYSIS CONDUCTED/REVIEWED	✓
INVOLVEMENT OF EXTERNAL STAKEHOLDERS IN IDENTIFYING MATERIAL ISSUES	✓
MATERIALITY ASSESSMENT RESULTS SIGNED OFF BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT	✓

MATERIAL ASPECTS:

The prioritized material aspects are:

- Business ethics and compliance
- Environmentally responsible business
- Employee health, safety, labour laws, and human rights
- Inclusion and diversity
- Responsibilities toward communities

Business Ethics and Compliances

The company's policies serve as a summary of the core beliefs, tenets, and operational procedures that direct staff members in upholding a workplace culture that fosters equity, dignity, and honesty.

Topics	Approach
Compliance with laws, rules, and regulations	Dedicated to following all applicable laws, rules, and regulations in the country. Suppliers and employees alike receive training on adhering to these requirements.
Conflict of interest	Conflict of interests is described in several ways. It is primarily defined as fundamental components of conflict between several opposing interests. In such situations, it is important for both staff members and management to transparently seek clarifications.
Ethical marketing and fair competition	Engages in ethical marketing and behaves in a free and open manner, while competing for customers' business and dealing with suppliers. It does not make false claims or disparage competitors.
Code of conduct	Maintains a stringent/uncompromising code of conduct. Employees are trained on such codes, and its ramifications and application. Violation of these codes has not been recorded so far.

Environmentally Responsible Business

The Company takes conscious efforts to protect the environment because it recognizes that it is important to meet the needs of the present without compromising the ability of future generations to meet their own needs. By adopting sustainable practices, the company aims to reduce their environmental impact and help protect the planet.

Topics	Approach
Energy management	Every manufacturing facility would run on renewable energy by 2025.
Water, other effluent and waste management	All manufacturing facilities are expected to become zero-liquid discharge by 2025. All plants are equipped with rainwater harvesting facilities.
Measuring emissions & ensuring decarbonisation	
Regulatory compliance and violations	In order to raise awareness of the growing pollution problem among corporations and the general public, environmental restrictions are required. Global governments can use it to keep an eye on businesses to ensure compliance. The value of investments made in pollution control is increased by compliance.

Employee Health, Safety, and Labour Laws and Human Rights

Organizations now give more thought to the protection and rights of their workers. As a company, Apollo provides a safe working environment for employees by including safe equipment and safe procedures.

Topics	Approach
Incidents related to health & safety and employee training pertaining to them	APL Apollo ensures a safe working environment by providing regular health and safety training to all employees periodically.
Labour relations and human rights training	The Company conducts comprehensive training on labour laws and human rights to uphold employee rights and foster positive labour relations.
Training and education on behavioural and technical issues	APL Apollo offers continuous training programs addressing both behavioural and technical competencies to enhance employee skills and workplace conduct.
Grievance management system	The Company has a robust grievance management system in place to address and resolve employee concerns promptly and fairly.

Inclusion and Diversity

It is now well acknowledged that diversity and inclusion have good effects. An open and varied workplace fosters a sense of community among staff members. A diverse and inclusive environment establishes a sense of belonging among employees, making them feel more connected and productive. As a result, they earn a high degree of trust and commitment from their employees which facilitates in sustaining the organisation's success.

Topics	Approach
Female to male ratio in permanent employee	The company is centered on establishing a fair workplace. By 2025, the company wants at least 5% of its staff to be made up of female employees.

Responsibilities Towards Communities

Organizations employ community development to reach out to the local population in an attempt to better their economic, social, and cultural circumstances. Through active community participation, it encourages improved living and makes it possible for the locals to gradually advance toward self-improvement.

Topics	Approach
CSR Strategy	CSR strategy has already been formulated.
CSR Expenditure	₹136.6 Million CSR expenditure
CSR Beneficiaries	23,935 CSR beneficiaries
CSR Projects	11+ CSR projects



A PROMISING FUTURE

for structural steel
tube players



1. Real estate

India's real estate market is predicted to grow from US\$ 200 billion in 2021 to US\$ 1.3 trillion by 2030, and by 2034, it will account for 13.8% of the nation's GDP. Retail, hospitality and commercial real estate sectors are also expanding rapidly, contributing to the infrastructure that India's expanding needs require. By 2047, the real estate industry in India is predicted to grow to a value of US\$ 5.17 trillion, accounting for 17.5% of the country's GDP, up from its current 7.3% share (according to the Confederation of Real Estate Developers' Association of India (CREDAI)).

The sheer volumes in FY24 indicate that real estate will be at the nucleus of growth in the current Government's Viksit Bharat 2047 roadmap (making India a completely developed country by 2047).

RESIDENTIAL SEGMENT

The residential real estate market could see another peak in 2024 despite the General Elections, as most real estate regulatory reforms and norms are already in place. Furthermore, international organisations, including the IMF, have strong GDP growth predictions for India over the next few years.

Fuelled by growing homebuyer demand, developers have closed substantial land deals in the past year, and most have clean balance sheets. Many large developers with good track records and solid financial positions are venturing into new territories to expand their presence.

The India Residential Real Estate Market size is estimated at US\$ 227.26 billion in 2024 and is expected to reach US\$ 687.27 billion by 2029, growing at a CAGR of 24.77% during the forecast period (2024-2029).

SKYSCRAPERS

The way people live in India has undergone a significant change. From housing colonies spreading out horizontally to reaching new heights vertically, there are more and more taller buildings coming up in various nooks and corners of the country.

As urban locales face a surge in population, the demand for housing has risen substantially. The limitations of available space, coupled with ecological concerns, have compelled urban developers and realtors to rethink traditional housing structures. As a result, tall buildings in India now dominate city skylines.

The rise of tall buildings in India has become a defining feature of urban development in response to India's burgeoning population and shrinking spaces.

These towering structures offer solutions to the challenge of limited space and contribute to creating vibrant urban landscapes. With their sleek designs and advanced amenities, these tall buildings symbolise India's move towards a more contemporary and efficient urban living experience. They also help accommodate the needs of a growing population in a confined environment.

According to the UN-Habitat, by 2030, India's urban population is expected to exceed 600 Mn. Consequently, India will have to unlock many new accommodation avenues, especially in cities, which further indicates that tall buildings will become the preferred way to fulfil the demand for urban spaces.

Over 28 crore Indian citizens want to buy a house among the 40-crore population yet to own a house in the country. CREDAI also projects that there will be a 7-crore additional housing demand by 2030.



Shopping complex in Bengaluru on APL Apollo tubular construction

VILLAS & BUNGLOWS

While high-rise buildings are increasingly becoming the norm, the demand for villas and bungalows has also grown because of the COVID-19-induced pandemic and the subsequent lockdown considerably altered lifestyles. The need and desire to own a haven have grown more than ever, and the requisites accompanying the desirability have shown a substantial shift. The changing preferences of present-day home seekers have significantly affected their purchase and investment decisions. With an emerging need for low-density living accompanied by the necessary social distancing measures, independent homes are steadily witnessing a rising demand.

Lately, people have also been drawn by the allure of buying independent homes or villas, as such structures can be customised according to the buyers' preferences and offer larger, multi-purpose, usable spaces. Also, buyers prioritise safety and security as an imperative element, alongside easy access to essential services. Fulfilling such essentials, villas within gated communities have garnered much attention from current home buyers.

Hence, there has been a notable surge in demand for low-density housing options such as villas, townhouses, and plotted developments.

CITY REDEVELOPMENT

Urban clusters, considered economic havens, are not safe living hubs. The multi-decade-old residential hubs are now worn out and need urgent attention. Case in point: Recently, the municipal authorities released information that 188 buildings are very dangerous and dilapidated. These structures will have to be rebuilt.

This scenario persists in every metro and urban city. A survey by the Municipal Corporation of Delhi throughout all 12 zones revealed 57 unsafe buildings that are being deemed as dangerous. Recently, 12 high-rise towers in Delhi have been identified as unsafe and uninhabitable. The scene in Bangalore is far worse. The reconstruction of these structures presents a significant opportunity for structural tubes.

COMMERCIAL DEVELOPMENT

India's commercial real estate market has grown stronger with increasing global occupier interest and the rise of small and medium real estate land developers, attracting institutional investments. The growing demand from global capability centres (GCCs), rise in flexible and co-working spaces, and growth in the IT sector will lead to a demand for 1.7 billion sq ft of office space in India. According to CII and Knight Frank, by 2030, there will be an estimated 2400 GCCs across India from 1700 currently as India emerges as a global technology and services hub. The number of GCCs in India may scale up to 2880 by 2034, pushing demand for office buildings.



New Rajpur plant on APL Apollo tubular construction

B. Infrastructure

The newly adopted Vision 2047 document strongly focuses on expanding infrastructure and speeding up the construction of roads, railroads and ports to levels that exceed those of most developed nations.

To improve the nation's infrastructure, the Government has taken the lead and a record-breaking ₹10 trillion in capital spending in the 2023-24. Until the investment cycle is established, where public and private spending complement each other to strengthen infrastructure, these expenditures are anticipated to continue for a few more years.

According to the Infrastructure Yearbook 2023 published by rating agency Crisil, India will spend ₹143 trillion on infrastructure between fiscal 2024 and 2030, more than twice the ₹67 trillion spent in the previous seven financial years starting in 2017.

AIRPORT DEVELOPMENT

In today's business scenario, airports are the gateway to economic development. Recognising this reality, the Government is focused on increasing air connectivity in India. It has drawn up a comprehensive strategy to create airports in Tier 1 and 2 cities.

The nation will see eight new operational airports in FY25. Other in-progress airport development projects include 13 new terminal buildings in different airports, including two each in Andhra Pradesh, Maharashtra and Madhya Pradesh. They also include one terminal building each in Gujarat, Tamil Nadu, Telangana, Uttar Pradesh, Punjab, Arunachal Pradesh and Chhattisgarh. In addition, the Government has laid the foundation stone for various airports to be built in Belgaum, Jammu, Hubballi and Kadapa.

There has been another major development. The Ministry of Civil Aviation is looking at developing six 'Twin City' airports by 2030 and 15 by 2040 to decongest existing airports in major cities and expand the airport infrastructure to address the burgeoning demand for air travel. So far, the 'Twin City' airport development plan has been undertaken at three locations.

With its 1.4 billion people, India is home to the world's fastest-growing air passenger market. The country is poised to become the world's third-largest aviation market after China and the U.S. India's domestic air passenger traffic is expected to double in the next six years, reaching 300 Mn by the end of 2030.

RAILWAY DEVELOPMENT

The Indian government recognised the need for railway station modernisation and embarked on an ambitious mission to transform these stations into world-class transportation hubs.

The government launched a rail station development programme, 'Amrit Bharat Railway Stations', the world's biggest station redevelopment initiative. The project's total scope includes 1,309 stations nationwide that will require rehabilitation.

The Hon'ble Prime Minister laid the foundation stone for redeveloping 553 railway stations on February 26, 2024. Out of these, initial work has commenced at 508 railway stations in 27 states and union territories, which will require an investment of ₹24,470 crores, or US\$ 3 billion.

WAREHOUSING

Upbeat economic growth and the Government's focus on building highways and improving logistics drive growth in India's warehousing sector.

Further, conferring the 'Infrastructure' status to the logistics and warehousing sector, the rapid expansion of new-age sectors like e-commerce and allied services, the growing needs of the massive consumption market and the Government's focus on making India a manufacturing hub have resulted in a steep uptick in warehousing demand. India's modern warehouse infrastructure sector has witnessed massive investment flows from global investors - US\$10 billion+ in the last ten years alone.

In 2024, warehouses are set to draw substantial investor capital due to rising demand from manufacturers and third-party logistics (3PL) companies, with Cushman and Wakefield projecting the leasing of over 50 Mn square feet of grade A warehouses across the top eight cities, crossing 2023's estimate of 45–50 Mn square feet.

Improved connectivity and infrastructure and the surging e-commerce boom have made Tier II and III cities increasingly attractive. The country's strong consumption story from the non-metro cities, same-day deliveries and deepening internet penetration shaping digital buying decisions have further amplified the growth of warehousing facilities in these markets.

The PM Gati Shakti master plan aims to strengthen multimodal connectivity, reduce timelines and improve last-mile delivery, which could prove a game-changer for the warehousing industry — opening up new launch sites and attracting higher investments for modernisation and automation.

DATA CENTRES

Data is the bedrock of technological evolution, propelling innovation and societal advancement across sectors. The critical importance of the location and management of this data must be balanced. Data Centres are the keystone of contemporary digital architecture.

Be it banking, entertainment, or work collaboration, digital is the first port of call for all tasks today. This means data generated across organisations today is in terabytes, necessitating the establishment of mammoth data centres, in contrast to the small server rooms located within the premises. This is just the beginning; as enterprises migrate from legacy systems to the cloud and as AI workloads rise, there is a need for data centres to get larger and more sophisticated.

JLL estimates the Indian data centre sector doubled to 722 MW of capacity at the end of 2022 from 350 MW in 2019. The year 2022 witnessed an all-time high absorption of 160 MW. JLL further expects the industry capacity to reach 1.4 GW by 2025.

The Indian government is developing a Data Centre policy to attract investment and quicken the country's current rate of data centre expansion. This plan includes incorporating data centres under the Essential Services Maintenance Act (ESMA), establishing Data Centre Facilitation Units (DCFU), establishing Data Centre Economic Zones and giving data centres a unique category code under the Indian National Building Code.

STRATEGIC DIRECTION

APL Apollo aspires to be future-ready structurally and sustainably in its ambition to play a defining role in nation-building. In doing so, it aims to graduate into one of the world's most respected structural steel players.

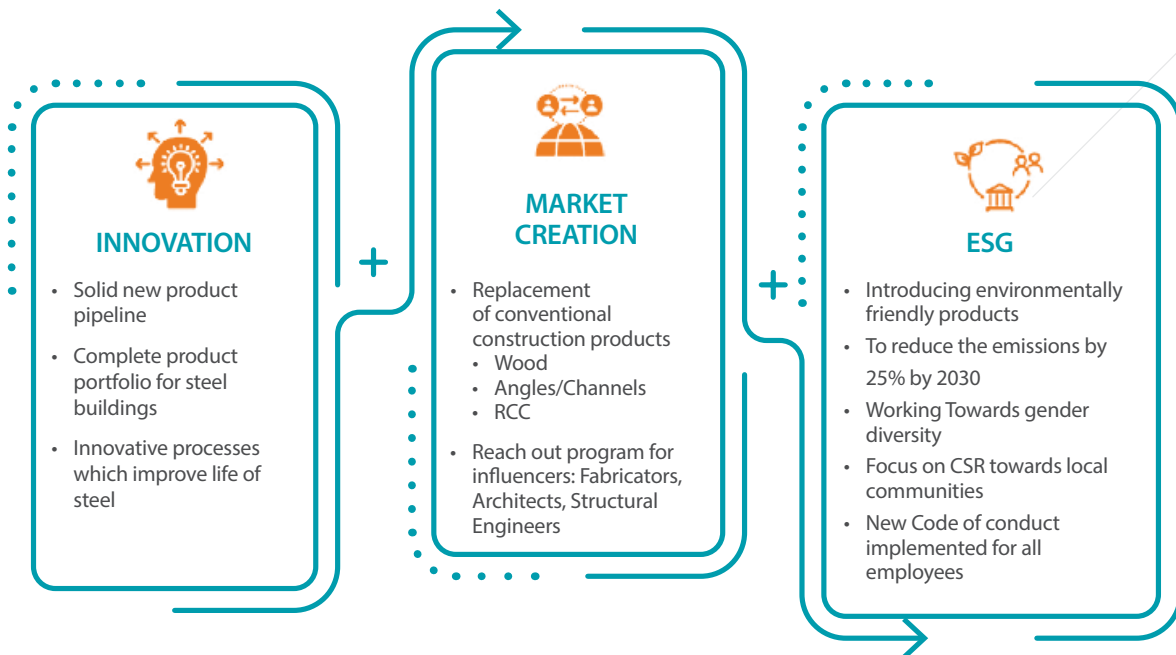


APL Apollo is the world's only company that makes steel tubes with a size range of 8x8 mm to 1000x1000 mm and a thickness range of 0.18 mm to 40 mm.

Innovation

What APL does today, others do tomorrow.








Zeal for the new is not new to APL Apollo. It's a culture that comes almost automatically to the Company. The management forever remains captivated by the idea of new solutions to shatter conventional building techniques. This singular differentiation has positioned APL Apollo as an innovator and leader in the structural tube space.



APL Apollo's appetite for risk and unwavering belief in 'making it work' has been the driving force behind the Company's investments in, absorption of, and adaptation to global technologies. This strategic approach has significantly broadened APL Apollo's capabilities and inspired it to introduce groundbreaking products, many of which are firsts for India and the global market.

Diversified product offering

Created through continuous innovation

Product Category	Application	Product - visual overview	Key USPs	Applications
Apollo structural			First company to introduce DFT technology in India	High-rise, Warehousing, Infrastructure
	Super Heavy		Offers columns of 300mm x 300mm, 500mm x 500mm and 1000mm x 1000mm*	Column, Beams, Heavy structural erections
	Light		First company in India to introduce Door frame and Plank Light weight tubes for furniture	Door Frame, staircase steps, Furniture & fencing Electrical Conduits
	General		First company in India to introduce square, rectangular structural steel tubes	Sheds & Gates, Handrails & Fencing, Balcony Grills Staircase etc.
Apollo Z	Rust-proof		company in India to introduce -galvanized sections, replacingvanized tubes Effective in use in coastal markets	Roofing Structures, Fabrication Work, Purlins Rafters
	Coated		High tensile light structural application; bendable; superior rust proof properties	Warehousing Factory Sheds
Apollo Galv	Agri/ Industrial		Effective for use in water applications, being highly non-corrosive in nature	Greenhouse structures Plumbing Firefighting

Raipur facility – a hub of innovative products

Our newly commissioned Raipur facility is the hub of innovation. The sophisticated equipment and cutting-edge technology allow the company to develop a host of super high-value offerings with a promise to completely alter the dynamic of the structural steel market over the coming years.

World's 1st thicker color coated products		Superior corrosion resistant, high load bearing with aesthetics
World's 1st Color coated structural steel tubes		Superior corrosion resistant with aesthetics
India's 1st 500x500mm diastructural steel tubes		Replacing RCC structures/columns in heavy construction
India's 1st and World's 2nd 1,000x1,000mm		
India's 1st CRCA Black annealed tube		High tensile light structural application; bendable; superior rust proof properties
India's 1st AluZinctubes		Superior rust proof properties and better life



Market Creation

Peers manufacture products. APL Apollo creates markets.

APL Apollo's penchant for pioneering creation is followed by its thrust on deploying it in the right place. For this, the Company does not market products but showcases concepts. Moreover, rather than discussing the product promise, the Company showcases the same by deploying its products in critical projects that vindicate APL Apollo's claim. This novel approach helps in onboarding clients significantly faster.

How APL Created New Market Spaces

Conventional Construction Products	Applications	Why structural steel Tube replaces these products?	How to replace the conventional product??
Steel Angle/Channels	Structural support. Towers infrastructure	Uniform Strength. Lower steel consumption	Low Diameter Steel Tubes/Low Load Bearing
Wood	Furniture. Door Frames. Planks	Cost Effective. Termite Proof. Environmental Friendly	
Aluminum Profiles	Facades & Glazing	Cost Effective. Higher Strength	
Reinforced Cement Concrete	Construction of Buildings	Faster Construction Environmental Friendly	High Diameter Steel Tubes/High Load Bearing
Fabricated Metal Sheet	Pre-Engineered Steel Buildings	Lower steel consumption Reduces overall project cost	

University campus in Roorkee on APL Apollo tubular construction

APL Apollo has enquiries from 45 projects, which could culminate into orders for supplying more than 200,000 Ton of heavy structural steel tubes.

APL Apollo Columns – Revolutionising construction

This is the most recent trend breaker that will redefine construction norms in India. The Company created 500x500 mm dia structural steel tubes and supplied these Column Tubes for the superstructure of six hospitals in New Delhi.

Enthused by the success, the Company showcases these creations to other prospective builders with considerable success. Currently, APL Apollo has a huge list of projects from the Government and the private sector to which it will supply its Column tubes.

Hospital Projects	Educational Projects	Residential Projects	Commercial Projects	Railway Station Redevelopment Projects	Airport Projects	Industrial Projects
4 PROJECTS	9 PROJECTS	1 PROJECT	3 PROJECTS	16 PROJECTS	15 PROJECTS	7 PROJECTS
Mumbai	National Sports University	Army Housing, Delhi	Orissa tower 1	Andhra Pradesh	Uttar Pradesh 1, 2, 3	Shakya Warehouse
Imphal	IIT Roorkee		Orissa tower 2	Karnataka	Rajasthan 1, 2	Star Cement
Shillong	IP University		Triveni Mall, Bengaluru	Maharashtra 1, 2, 3	Andhra Pradesh 1, 2	Joyce Agro
New Delhi	Amity University			Uttar Pradesh 1, 2, 3	Karnataka 1, 2	ABPL Shed
	IILM University			Rajasthan 1, 2	West Bengal	
	Mathura Medical College			Telangana	Jammu Kashmir	
	Thapar University			Bihar	Bihar	
	Modern School			West Bengal	Gujarat	
				Madhya Pradesh	Haryana	
				Gujarat	Orissa	
				Tamil Nadu		

ESG

Making green greener. For the Company and its customers

At APL Apollo, environment is a philosophy embedded in the business model of the enterprise which provides the directional approach to the Company towards reducing its carbon footprint. Over the years, the Company has implemented path-breaking steps to reduce its carbon footprint.

Making our Operations Green

With increasing awareness about Environment, Social and Governance (ESG) related challenges and their impact, APL Apollo is doing its part by evaluating the impact using a holistic ESG lens. The Company is placing considerable emphasis on this end to shape its reporting priorities, strategy, and goals.

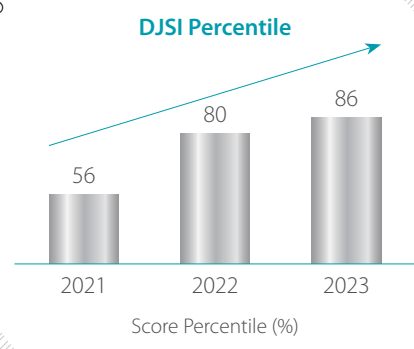
Our Achievements

- Introduced new, environmentally friendly products. (*Chaukhat, Fence, Plank, and Handrails under Steel for Green concept, which replaced conventional wood*)
- All plants have access to green energy; two plants have more than 85% dependency on green energy.
- Almost all plants have rainwater harvesting facilities.
- Zero accidents by providing safety training at sites.
- Hiring female workforce to achieve gender diversity targets.
- Strong emphasis on CSR initiatives in local communities.
- New Code of conduct implemented for all employees.
- Assessed Scope 3 emissions (in addition to Scope 1 & 2).





Airport in Prayagraj, (UP) on APL Apollo tubular construction.



Commitments

- Reduce Scope 1 and 2 emissions by 25% by 2030.
- Set near-term and Net Zero targets by 2050.
- Increase renewable energy contribution to 47% by 2030.
- Increase the female workforce by 1% every year.
- Intensify CSR initiatives in the local communities to uplift their lifestyle.
- Undertake skill development and safety training.
- Occupational Health and Safety assessment of its workforce.
- Training on Code of Conduct to educate each employee.

Making our customers' projects green

The construction sector contributes 30% of direct and indirect CO2 emissions. India is stuck in the dichotomy between creating world-class infrastructure and sky-tall buildings and reducing the carbon footprint of its construction sector.

Structural steel can help decarbonise the construction industry owing to its inherent benefits.

- Infinitely recyclable
- Easy to pre-fabricate
- High volume-to-weight ratio
- Lighter/stronger structures allow gains in vertical space

Research indicates that replacing reinforced concrete with steel structures can reduce emissions by 60%. Being the only manufacturer of Structural Steel Columns in India, APL Apollo is playing a seminal role in decarbonising India's thriving construction sector.

APL Apollo mission is to introduce innovative products for the construction sector which helps in ease of construction.

Anubhav Gupta
Chief Strategy Officer

18% Revenue (FY22-24 CAGR)	12% EBITDA (FY22-24 CAGR)	15% PAT after minority interest (FY22-24 CAGR)
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Identifying Risks and their Mitigation Strategy

Navigating the organisation through business uncertainties.

Demand Risk

A drop in demand could impact the Company's fortunes.

Mitigation strategies

- The business caters to the real estate and infrastructure sectors, which are high on the Government's priority owing to their cascading impact on multiple sectors and their contribution to economic growth.
- The organisation operates two models: 1) The B-2-C allows it to cater to the end consumer, small and large, and reach out to every demand pocket, and 2) The B-2-B model enables the Company to cater to large infrastructure and real estate projects across India.
- The Company's innovative products that continue to redefine construction standards ensure sustained demand for its products.

Competition Risk

Intense competition could result in price erosion, leading to a drop in profitability.

Mitigation strategies

- Sharpened focus on value-added products positions APL Apollo out of the competitive clutter.
- Developing and deploying products redefining construction standards makes APL Apollo the preferred brand for real estate developers and infrastructure players.
- Cost-effective operations and economies of scale have transitioned APL Apollo into the lowest-cost producer in the structural tube space.

Capacity Risk

Capacities may need to be improved to meet the growing demand.

Mitigation strategies

- The recently commissioned Raipur should be able to cater to the growing demand for the next few years.
- The Dubai facility should cater to the demand arising from that and nearby geographies, freeing capacities in India hitherto catering to exports to those nations.
- The new capacity is on the anvil for which management has undertaken a feasibility study.

Cost Risk

Cost escalation could impact profitability margins.

Mitigation strategies

- The Company is India's single largest purchaser of HR coils, giving it superior negotiation power with steel suppliers.
- Large HR coil capacities are being commissioned shortly, which should further ease the cost and supply of the critical input.
- Continuous focus on cost optimisation helps the company keep its cost of business operations under check.
- A near zero-debt position has significantly reduced the Company's interest liability.





Funding Risk

The Company will need adequate funds to manage its growing and expanding operations.

Mitigation strategies

- Growing volumes and an extremely low working capital cycle ensure a progressive growth in cash flow from business operations.
- A near-zero debt-equity ratio allows the Company significant headroom for securing external funding options.

People Risk

Lack of adequate intellectual capital could impede business operations.

Mitigation strategies

- The Company takes care of its intellectual capital through better-than-industry emoluments and ESOPs, transitioning from employees to part-owners.
- It provides significant growth opportunities to its team through cross-functional movement and challenging projects that continue to enhance its people's learning and efficiency curve.

Safety Risk

Manufacturing operations pose a potential risk to the team's health and safety.

Mitigation strategies

- The Company adheres to all the safety norms to bring a safety-focused culture.
- Its operations are ISO 45001 and OHSAS 18001:2007 compliant.
- It aims to ensure zero harm and zero incident and injury rates, for which it regularly provides intensive training to its team.

Sustainability Risk

Environment management has recently assumed significant priority to ensure sustainable business operations.

Mitigation strategies

- The Company has always stayed ahead with environmental compliance before it emerged as a critical aspect of business sustainability.
- Its comprehensive 360° environment management approach has been lauded and awarded by Indian and international environment management associations.
- The Company has steadily climbed the DJSI ranking for Environment Management for the last three years to emerge as the leading player in its business space in environment management.

Value Creation Model

Striving for operational excellence

The cornerstone of APL Apollo's efforts to successfully develop and advance a sustainable business plan is its business model. The team's dedication and patience in developing development levers for the future form the basis of the business concept. It motivates and inspires partners and staff to pursue excellence in their work while upholding moral principles, openness, and sound governance procedures



Manufactured Capital	Finance Capital	Human Capital
<p>It comprises tangible assets and infrastructure built or acquired to facilitate operations.</p> <p>A superior mind-to-market cycle is offered by our cutting-edge pan-Indian infrastructure.</p>	<p>Monetary resources available including cash, investments and funds obtained through borrowing or equity financing.</p> <p>Our balance sheet is solid, devoid of net debt, and we prioritize wise capital management.</p>	<p>The collective skills, knowledge and abilities of the company's workforce.</p> <p>We give importance to creating a future-ready workforce and we do this by providing ample learning opportunities.</p>

INPUTS

11 Manufacturing units	662 Capex (₹ crore)	3,605 Shareholders' Fund (₹ crore)	2,682 Total Employees	258 Employee Expenses for FY24. (₹ crore)
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OUTCOME

2.6 (Mn Ton) sales volume on 3.8 Mn Ton production capacity	68.9% Capacity Utilisation	18,119 Revenue from Operations (₹ crore)	18.5 Net cash (₹ crore)	2,682 Employees	0.7 LTIFR (per one million person hours worked)
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Intellectual Capital	Social & Relationship Capital	Natural Capital
<p>Over the years, we have augmented our experience and enriched our expertise to gain market share and strengthen our brand recall.</p> <p>Our brands and in-house technologies and processes comprise our intellectual capital.</p>	<p>Along with important stakeholders including vendors, investors, customers, society, and the government, partnerships built on mutual respect and benefit that are essential to our success</p>	<p>As a responsible business we diligently work toward preserving the environment and go far beyond merely adhering to the laws and regulations that govern energy efficiency and resource conservation.</p>

INPUT					
424	5	800+	13.7	556	15,29,417
years of experience of experience in the Board	Investment in R&D (₹ crore)	Dealers	Investment in CSR (₹ crore)	(Mega Ltrs) Fresh Water consumption	(GJ) Energy Consumption

OUTCOME		
500+	11+	471
New products launched	CSR programmes	Water recycled (Mega Ltrs)

OUTPUT
2.6 Total Sales (Mn Ton)

223 (K Ton)	24 (K Ton)	421 (K Ton)	1,103 (K Ton)	593 (K Ton)	125 (K Ton)	129 (K Ton)
Apollo Structural (Heavy Sections)	Apollo Structural (Super Heavy Sections)	Apollo Structural (Light Section)	Apollo Structural (General Products)	Apollo Z (Rustproof structures)	Apollo Z (Coated Products)	Apollo Galv (Agri/ Industrial GI sections)



Manufactured Capital

Striving for operational excellence

APL Apollo relentlessly pursues manufacturing excellence by investing in contemporary equipment sourced from global leaders for optimal efficiency and safety. Its strategies prioritise efficient capital utilisation and operational flexibility and meet evolving consumer demands while addressing global challenges like climate change. By optimising our assets' efficiency, performance, and lifecycle, the Company has remained competitive in India and aims to achieve a dominant global position.

3.8

Capacity
(mn TPA)

2.6

Production
(mn Ton)

68.9

Capacity Utilisation
(%)

Overview

Since its inception, APL Apollo has made prudent capital decisions to build an asset portfolio that maximises value for our clients. Over the years, the Company has established a pan-India and global manufacturing presence with 11 facilities rolling out world-class structural steel products. The facilities are strategically located at Sikandrabad (3 units) in UP, Malur (Karnataka), Bengaluru, Hosur (Tamil Nadu), Raipur (2 units), Murbad (Maharashtra), Hyderabad and Umm Al Quwain (UAE).

Further, by minimising the use of resources and energy, implementing the newest technologies and safe and sustainable production techniques, and consistently adhering to environmental compliance, the Company has fulfilled its commitment to responsible manufacturing.



LINKAGE WITH OTHER CAPITALS



Financial Capital

Outflow of funds to create capacity
Plays a pivotal role in revenue generation and business growth



Human Capital

Facilitates job creation
Fosters knowledge building and technical expertise



Intellectual Capital

Infuses new technologies and automation solutions resulting in pioneering solutions



Social Capital

Becomes the platform for societal development as most CSR activities are implemented for communities around the manufacturing facility



Relationship Capital

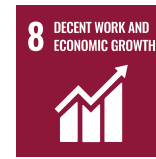
Provides opportunities for vendors and dealers
Instrumental for growing shareholder returns



Natural Capital

Does not adversely impact the environment owing to increased consciousness and investments

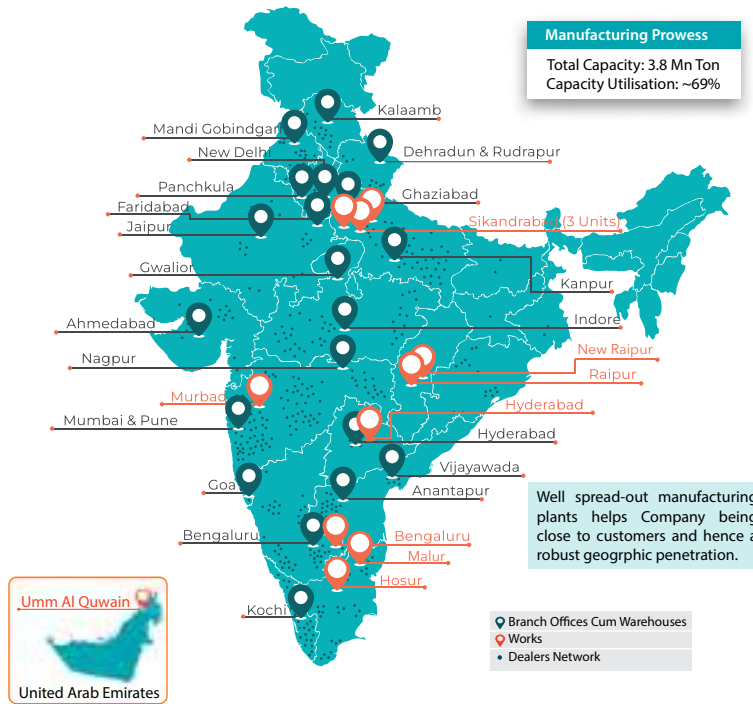
SDGs IMPACTED



LINKAGE WITH OTHER CAPITALS

S1 – INNOVATION	Infrastructure to support manufacturing of innovative products
S2 – MARKET CREATION	Maintaining product quality to create and grow the market
S3 - ESG	Manufacturing facilities are the hubs for the 3R policy (Reduce, Reuse & Recycle)

Our Global Footprint: 11 State-of-the-Art Manufacturing Facilities



Competitive Edge

- The largest producer of structural tubes in India.
- Capacity is judiciously distributed in all regions.
- Manufactures more than 2,500+ SKUs which cater to diverse applications
- Highly environment-friendly facilities that have become showcase units for peers.

FY24 in Retrospect

Production volumes increased by 15% primarily owing to improved capacity utilisation, which also helped optimise the cost of operations.

The highlight of FY24 was the commissioning of the Company's two facilities: 1) the greenfield unit proximate to Raipur and 2) the manufacturing facility at Dubai. Since these facilities commenced operations towards the close of the fiscal, their contribution to business growth and profitability will be reflected in the current year (FY25).

Business Excellence

Process improvement is an ongoing effort at all manufacturing facilities to increase productivity and enhance product quality. In recent years, the Company has implemented cutting-edge digital solutions at all its locations to streamline production planning and monitor plant operations in real time.

The Company involves its large operations team through engagement initiatives to identify and improve gaps in the operating practices. This strategy has worked well as suggestions for improvement continue to pour in from its shopfloor team. Additionally, cross-functional teams take up challenging improvement projects at various locations.

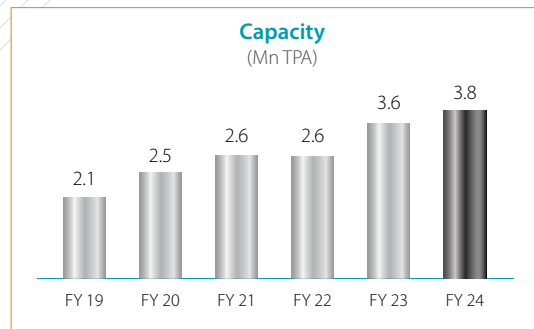
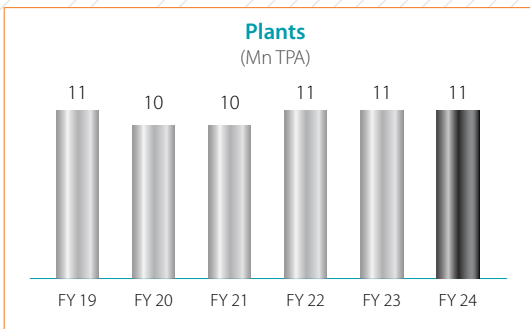
The Company continues to shuffle products between its manufacturing facilities to meet client needs. Given the prevailing market conditions, it helps the Company maintain its market share and arrive at the optimum profitability level.

Blueprint

Immediate: The Company will focus on reaching optimum capacity utilisation of its newly commissioned facilities, enhancing capacity utilisation, and sustaining quality output, which will help it increase its market share in India and establish a strong foothold in the Middle East market.

Medium-term: With structural steel tubes emerging as the preferred construction material for real estate and infrastructure creation and India sharply focused on rebuilding a New India that stands out in the global order, the demand for the Company's products will surge over the coming years.

The Company will further increase its manufacturing capacity to capitalise on emerging opportunities. In the near term, the Company has planned to increase its capacity to 5 Mn Ton. Over the medium term, it aims to achieve a capacity of 10 Mn Ton by FY30, subject to external circumstances and sectoral dynamics.



The jewel in the crown – the Raipur facility.

Spread across 400 acres of land, this facility is one of Asia’s largest facilities for structural steel tubes. Its superstructure is entirely built using the Apollo Column Tubes. This facility is designed to manufacture super value-added products such as heavy structural columns and coated products.

Product focus	Environment focus
<ul style="list-style-type: none"> India’s 1st 20mm HR Slitting Line 1000 x 1000 mm Structure Tube 1st in India and 2nd Globally 500 x 500 mm Structure Tube Section 1st in India 1st Thicker Colour Coating Line from 1.60mm to 3.00 mm in India World 1st Colour Coated Structure Tubes India’s 1st Thicker Non-Ox Alu-Zinc line upto 3.2mm 	<ul style="list-style-type: none"> Environment Friendly -Zero Discharge Plant Acid Regeneration Plant



Financial Capital

Driving Sustained Profitable Growth

APL Apollo focuses on sustained profitability through astute capital allocation. The Company aims to provide optimum returns to the providers of our financial capital and allocate more capital to explore and develop opportunities and products as part of its mid-term Business Plan 2030.

11,209

Net Operating
Cash Flow
(₹ Million)

1

Working
Capital Cycle
(Days)

29.5

Return on Capital
Employed
(%)

Overview

APL Apollo considers financial capital a catalyst for creating wealth for all stakeholders while considering itself a custodian of community resources. The resources include the pool of funds available to the organisation for use in the production of world-class products.

The Company carefully manages its financial resources to grow inorganically and organically. This guarantees that its business processes remain relevant and efficient, and that productivity and yield rise over time, maintaining the integrity of its growth story.

The team has worked diligently to build a solid balance sheet, providing sufficient legroom to expand business operations and sustain profitable growth.



LINKAGE WITH OTHER CAPITALS



Manufactured Capital

Funds capacity creation.
Funds projects for improving productivity and efficiency.



Human Capital

Provides wages and salaries to the team.
Funds knowledge and skill building initiatives.



Intellectual Capital

Facilitates the adoption of new technologies and automation solutions.
Funds programmes for technical upgradation of people.
Funds R&D initiatives for new product development.



Social Capital

Funds CSR initiatives which help in community development.



Relationship Capital

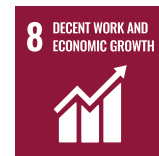
Funds the schemes for the dealer community.
Faster payment to vendors build trust in the corporate brand.



Natural Capital

Funds the purchase of pollution control equipment and environment management initiatives.

SDGs IMPACTED

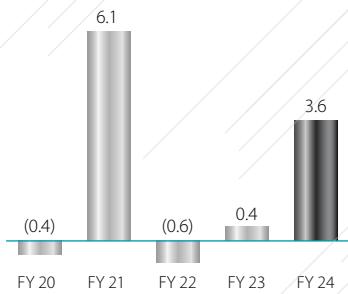


SUPPORTING STRATEGIC AMBITIONS

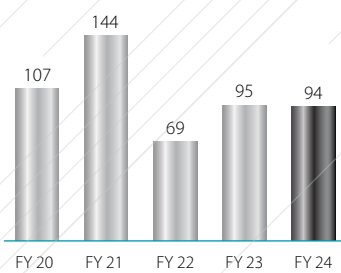
S1 – INNOVATION	Funds R&D initiatives and product development strategies
S2 – MARKET CREATION	Provides funds for market development strategies
S3 - ESG	Provides funds for environment management and CSR initiatives. Stringent governance policies plug financial leakages.



Free Cash Flow (₹ billion)



Operating Cash Flow to Ebitda (%)



Competitive Edge

- Prudent capital management strategy balancing capex with deleveraging.
- Investment in value-addition is driving profitable growth.
- Stringent working capital discipline is contributing to robust cash flow from operations.
- Profits earned are shared with shareholders, positioning APL Apollo as a preferred long-term investment.

FY24 in Retrospect

The Company reported improved performance on a higher base despite a challenging year where inflationary headwinds and elevated interest rates delayed the execution of construction projects. Revenue from operations increased by 12% over the previous year. EBITDA and Net Profit improved by 17% and 14%, respectively. The growth numbers would have been better had the Company achieved its budgets at the start of the year.

Cash Flow Generation

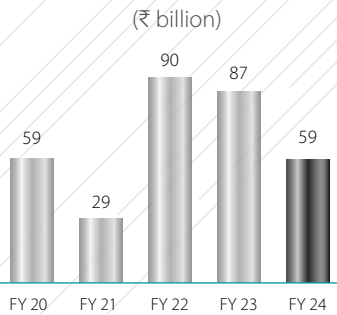
The hallmark of APL Apollo's business operation is its differentiated business policies, which have resulted in a strong cash flow from operations. One of the most prominent policies that significantly impacted operating cash flow was the cash-and-carry model for its distribution network. This policy was a tough call, especially when peers gave a 45-to-60-day credit due to the dismal business environment (the second phase of the pandemic). The Company leveraged its strong brand and huge product basket to make this practice into a business culture. As a result, the net working capital cycle, which stood at 29 days in FY20, collapsed to just one day in FY24. APL Apollo has set an industry benchmark which others only aspire to achieve. Moreover, cash generation has increased significantly.

Blueprint

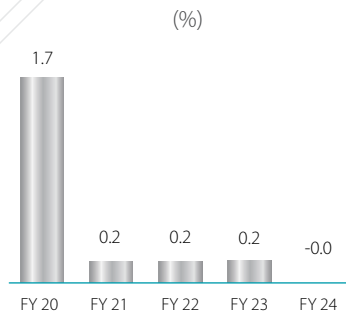
Immediate: The primary aim will be to secure the returns from its recently commissioned facilities, which will build the cash war chest to undertake its future capital investments.

Medium-term: The Company would need to keep sufficient cash reserves to meet its medium-term growth plans – the most important being capacity build-up to 5 Mn ton by 2025 and 10 Mn Ton by 2030.

Capex to Operating Cash Flow



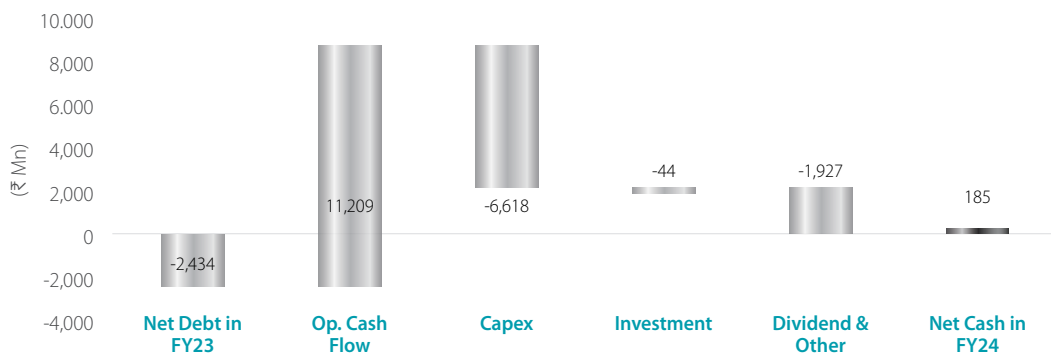
Net Debt To Ebitda



Deleveraged position

Astute cash management has enabled the Company to deleverage itself despite the continuing investment in capacity building. Even after an investment of ₹26.8 billion in augmenting capacities over the last five years, the Company has a negative debt-equity ratio and a net cash balance of ₹185 Mn. This standout position is owing to financial prudence, where the Company has judiciously deployed cash generation in capital projects and debt reduction. Also, the Company has stuck to its fund management policies, ensuring that its ambitions do not push it to cross its debt and capex tenets. Financial management has played a pivotal role in making the business solid and the organisation very liquid.

Cash Flow Bridge (₹ mn)



✓ Business continues to generate strong operational cash flows

✓ Capex being funded from internal cash flows

✓ Net cash balance sheet



Human Capital

Nurturing Talent to Build a Resilient workforce

APL Apollo's people are special stakeholders and cornerstones to its success. The Company considers its employees members of its extended family, recognising their growth and well-being as top priorities. With a focus on knowledge-building, care, inclusiveness and respect, the Company fosters the ongoing development of its human capital.

2,682

Employees

96,552

Person –
Hours of Training

67.6

Revenue Per Person
(₹ Million)

Overview

APL Apollo's workforce is primarily responsible for its consistent success despite the sectoral clutter. The Company strives to nurture its people competence to strengthen its competitive advantage and foster a culture of excellence.

The Company cultivates an encouraging work culture and provides continuous learning opportunities. It endeavours to create an environment where team members feel inspired and equipped to effect positive change.



LINKAGE WITH OTHER CAPITALS



Manufactured Capital

Plays a defining role in manufacturing operations. Focuses on improving operating process to enhance productivity and optimise costs.



Financial Capital

Strategises and implements financial allocation strategies. Maintains stringent control on working capital management.



Intellectual Capital

Ideates on new technologies and implements them in the organisation.



Social Capital

Draws strategies for societal development and implements CSR initiatives.



Relationship Capital

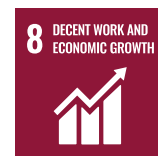
Engages with dealers for healthier business relations
Builds a wider and deeper vendor base for sustained supplies
Works on sustaining a seamless supply chain



Natural Capital

Focuses on implementing environment management initiatives.

SDGs IMPACTED



SUPPORTING STRATEGIC AMBITIONS

S1 – INNOVATION	Drives the innovative zeal and labours to develop pioneering solutions.
S2 – MARKET CREATION	Focuses on showcasing new concepts and creating showcase projects.
S3 - ESG	Draws strategies and implements initiatives environment management and social development.



Competitive Edge

- The leadership team has been with the Company for over five years; it helps in strategy execution.
- A strong brand is key to attracting good talent; a strong learning curve in multi-disciplinary skills helps retain talent.

Building a Robust Team

With a new team taking on the operations of the newly commissioned Raipur facility, the HR team is focused on intensifying their training and induction into business operations and the Company's culture. With more capacity expansion planned, the team would continue to spot and source quality human talent to build a robust pipeline to support its growing business operations.

Building a Leadership Pipeline

Through various performance assessments, interventions and programmes, the HR team identified star performers. These star performers have been fast-tracked into higher leadership roles to prepare them to transition into leadership roles in the future.

Learning & Development

The HR team focused on extending its monthly training structure across all its operating facilities. The training focused on product, operational, technical, behavioural, and leadership attributes.

Team engagement

The Company's suggestion scheme garnered a good response, with employees sharing their thoughts and ideas on process improvement. Reward and recognition for innovative suggestions increased the motivation for participation.

The Company encouraged the creation of cross-functional teams to take up challenging projects across the organisation. This practice has fostered strong bonds between individuals and departments.

The HR team celebrated events and festivals as part of its team bonding initiatives. Being sponsors of teams participating in high-decibel national sporting events, the Company gave tickets to its employees for a fun-filled experience. These meaningful gestures strengthened the employee-enterprise bond.

Safety & Health

APL Apollo's safety and health responsibilities are driven by its commitment to zero harm to its

people and the community. The Company endeavours to achieve this objective through a robust safety management system and intense safety training at periodic intervals.

The Company has a detailed safety manual that guides its OHSAS policy. This manual outlines the commitment to occupational health and safety. The Company conducts regular safety education and awareness training sessions, which are mandatory attendance for all employees. It also conducts mock drills for emergency evacuations to ensure preparedness.

The safety committee is crucial in investigating accidents and incidents, reinforcing its commitment to proactive safety. The Safety team conduct two types of audits: a) Internal Audits by the Plant Head or Head of Department, and b) External Audits by experts and members of the Leadership team. This dual audit approach ensures a comprehensive evaluation of the Company's operations, promoting accountability and continuous improvement.

To build a culture of health & well-being, the Company has taken several initiatives like periodic medical examinations, regular follow-up of high-risk cases, mental well-being programmes, theme-based health awareness campaigns, and doctor online programmes, among other initiatives. These efforts provide an important safety net for its people.

The Company offers various benefits to enhance employees' work-life balance, including a Group Health Insurance Top-Up Medclaim Policy for them and their dependent family members. It also provides Group Personal Accident Insurance coverage for employees' dependent family members in case of disability during their service. Additionally, the Company offers financial assistance to the family in the unfortunate event of an employee's accident or natural death during their service.

Diversity & Inclusion

APL Apollo is committed to fostering diversity, eradicating biases, and providing equal opportunities. The Company strongly oppose discrimination based on age, colour, disability, origin, religion, race, gender, family/marital status, gender reassignment, sexual orientation, pregnancy, or maternity status.

The Company focuses on increasing female representation at all levels and supports their advancement through leadership initiatives and a gender parity strategy. It engages in ongoing conversations with female employees to understand their concerns, including sexual harassment, fair compensation, work-life balance, and career prospects. This helps identify areas for improvement and acknowledges their contributions.

APL Apollo celebrates International Women's Day to advocate for gender equality, challenge biases, and encourage individuals to combat gender stereotyping and discrimination.

In line with its commitment, the Company aims to increase the representation of female employees in the permanent workforce category by 5% before 2025. This goal reflects its determination to create an inclusive and equitable workplace that recognises and harnesses the potential of every individual, regardless of background or gender.



Intellectual Capital

Driving Customer-Centric Innovation

For APL Apollo, developing best-in-class products guided by a culture of innovation is paramount. The Company strives to make its products affordable by reducing complexity, leveraging technology and exploring sustainable options through R&D initiatives and investments.

50

R&D Expenses
(₹ mn)

26,18,477

Sale of Structural Steel
(Ton)

Overview

At APL Apollo, innovation is the cornerstone of its growth strategy. It believes in developing groundbreaking construction materials that push the boundaries of traditional elements like wood, concrete and steel. Its pioneering and value-added products focus on widening structural steel tube applications, superior strength and environment management.

The Company remains committed to research and development, ensuring that it plays a definitive role in transformative creations that continue to empower the construction sector.



LINKAGE WITH OTHER CAPITALS



Manufactured Capital

New technologies at the shopfloor facilitates in manufacturing value-added products.



Financial Capital

Funds R&D initiatives and investment in cutting-edge technology. Higher sale of value-added products enhances profitability margins and cash flow.



Human Capital

Its people build the confidence to venture into unknown product verticals. The passionate team is the critical building block for developing pioneering products.



Social Capital

Helps in ideating novel solutions for social development.



Relationship Capital

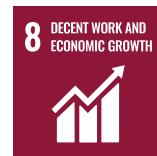
Pioneering products create new growth for its dealer base.



Natural Capital

Novel products reduce the carbon footprint of its customers. Niche technology minimises the carbon footprint of its business operations.

SDGs IMPACTED



SUPPORTING STRATEGIC AMBITIONS

S1 – INNOVATION	Platform for business innovation
S2 – MARKET CREATION	Unique products create market spaces
S3 - ESG	Novel technology helps in reducing operational carbon footprint



Competitive Edge

- Ability to envision gaps as product development opportunities.
- Conviction to invest in pioneering technologies.
- Possess a basket of patented products.
- Value-added products form the lion's share of the sales mix.

Technology bandwidth

APL Apollo does not follow trends. It creates them. The Company's pioneering adoption of cutting-edge technologies exemplifies its unwavering commitment to innovation. APL Apollo was the first in India to implement game-changers like Direct Forming Mill Technology and In-Line Galvanizing of Tubes. These advancements translate into superior products – stronger tubes that last longer and outperform the competition.

The Company's dedication to quality is undeniable. The APL Apollo seal isn't just a symbol; it's a promise. The process starts with cold embossing, a meticulous step that forms the foundation for excellence. This ensures dimensional accuracy and sets the stage for high-performance High-Frequency Induction Welding (HFIW) technology, the core of its production.

The Company leverages the power of cutting-edge machinery like High-speed European mills and horizontal/vertical coil accumulators. All this represents its relentless pursuit of perfection.

Information Technology (IT)

Achievements and Investments in Information and Technology

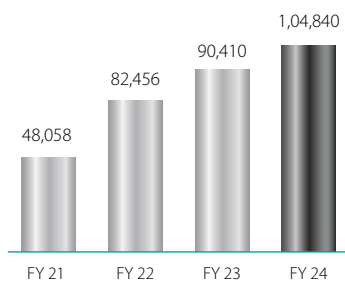
APL Apollo has made significant strides in enhancing its information and technology capabilities in the last financial year. These advancements are categorised into three main areas: infrastructure, operational efficiency and innovation. Below is a detailed account of the achievements and investments made in each area.

1. Infrastructure

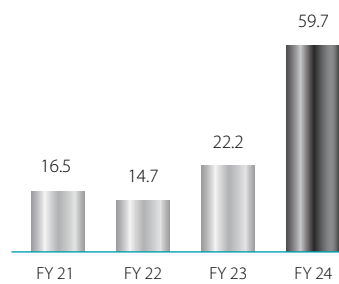
APL Apollo has invested in productivity solutions. This has provided employees with a more robust, secure and efficient platform, boosting organisational communication and collaboration.

The Company has opened a state-of-the-art facility with advanced automation and security systems. This new facility is designed to support its growing needs and ensure the highest operational efficiency and security standards.

Revenue From Sale of Value-Added Products (₹ Mn)



Investment In IT (₹ Mn)



2. Operational Efficiency

They have implemented multiple automation solutions to improve operational efficiency in their logistics, procurement and order management processes. This has streamlined pricing processes, enabling better tracking, planning and execution of pricing strategies, resulting in increased productivity and reduced time spent on price management.

a) Rollout of Transport Management system in Raipur Facility

APL Apollo successfully rolled out the transport management system at its largest facility in Raipur. This implementation has further streamlined transportation processes, ensuring timely deliveries and improved coordination with transporters.

b) Automated Transactional Processes to reduce the manual effort

The automation of transactional processes in logistics has reduced the waiting time for transporters by 25%, enhancing the overall supply chain efficiency.

As part of its continuous efforts to reduce manual effort, the Company has further automated its SAP system. This automation has enhanced the accuracy and speed of processing purchase orders and goods receipt notes, minimising errors and saving time.

3. Innovation

Warranty Management System for Rooftop

They have introduced the Warranty Management System for Rooftop to improve processes and increase customer satisfaction. This system allows users to register warranties online and access services efficiently. It has simplified the warranty registration process and improved customer service by providing a more streamlined and accessible platform for warranty management.

These strategic investments and initiatives have strengthened the Company's IT infrastructure, significantly enhanced its operational efficiency, and fostered innovation. APL Apollo remains committed to leveraging technology to drive growth and efficiency, reduce costs and ensure superior service delivery.



Social Capital

Empowering through collaborative relationships

Among APL Apollo's primary business principles are fostering strong relationships and collaborations based on mutual trust, respect, and benefit. The Company's ability to grow and prosper harmoniously with various communities and stakeholders while balancing financial and non-financial needs is paramount to its success.

11+

Programmes
Held

136.6

CSR Spend
(₹ Million)

23,935+

People
Benefitted

Overview

APL Apollo believes that its business growth is inexplicably linked to the inclusive growth of the communities that it's a part of. Simply put, the Company works to empower the communities living near its areas of operations, providing them access and exposure to the necessities of life.

APL Apollo believes that development in all its dimensions must include all people everywhere and should be built through the participation of everyone, especially the most vulnerable and marginalised. As a group, APL Apollo always endeavours to reach out to the underserved sections of society with socially relevant and innovative projects that benefit these communities and enhance the quality of their lives.



LINKAGE WITH OTHER CAPITALS



Manufactured Capital

Creates opportunities for identifying rural areas where social intervention is an urgent priority.



Financial Capital

Provides the necessary funds for implementing social initiatives



Human Capital

Employees and contract workers are essential to drive CSR projects and engage with communities.



Intellectual Capital

Ideates and strategically plans unique CSR projects that have a lasting impact on communities.



Relationship Capital

Encourage its dealers to participate in CSR initiatives



Natural Capital

Environment management is a part of the Company's CSR interventions.

SDGs IMPACTED



SUPPORTING STRATEGIC AMBITIONS

S1 – INNOVATION	A healthy community is critical for sustaining business operations.
S2 – MARKET CREATION	A caring corporate gains faster acceptance.
S3 - ESG	Essential for scaling the global ESG ranking.

Competitive Edge

- Strong belief and determined commitment to make a positive and lasting social impact.
- Growing liquidity to fund CSR projects.
- Pan-India's presence will make a positive impact across regions.

Empowering Future

APL Apollo Group believes that Corporate Social Responsibility (CSR) and sustainability initiatives are essential drivers of progress in India to help achieve Sustainable Development Goals (SDGs) by 2030. APL Apollo Group is committed to driving social good with inclusive and sustainable growth in India.

APL Apollo Group has delivered comprehensive CSR projects under thematic umbrellas with an approach that reflects deep commitment to creating lasting societal and environmental impact, illustrating the significant role businesses can play in fostering sustainable development for an empowered and happy future. The 3Ps - people, planet and profit (prosperity of all stakeholders) are the bedrock of all the development programmes of the Group with 'strength' and 'care' seamlessly integrated in its need-based, long-term sustainable CSR projects framed within the purview of Schedule VII of the Companies Act, 2013, focusing on national priorities and SDGs.

Along with the CSR projects that were implemented in the year, employees too regularly volunteered and engaged with the beneficiaries, being their partners in progress.

Key CSR Initiatives

• Education & Skill Training Initiatives

APL Apollo firmly believes that everyone should have access to quality education and knowledge as these are indispensable to social advancement and encompass all the elements of a civilised society, such as equality, dignity and career advancement, to name a few. Some of the major educational initiatives are mentioned below:

Aadhar

Activity-based value and environment education was imparted in several schools in 20 states in India to inculcate good values like respect, gratitude, justice, cleanliness etc and awareness w.r.t. environment conservation and sustainability.

APL Apollo Vidya Jyoti-I

A higher secondary school in Kesda village, in Baloda Bazar district in Chhattisgarh was supported with teachers to cover the syllabus via regular and extra classes to ensure that children didn't waste an academic year.

Shikshana Pragati

The dilapidated building of Village Byalahalli's Junior Primary School in Kolar District in Karnataka that posed a danger for the school children and staff and which did not have a positive learning atmosphere required for the students of that age group was renovated/re-built with engaging learning content on the walls.

Aarohi

Derived from 'Aarohan' meaning ascent in Hindi, under Project Aarohi, women from underserved communities in East Delhi slum areas who were constrained by social & cultural barriers, lack of skills, know-how, financial resources etc were trained in beauty trade along with beauty parlour management, employability & entrepreneurship trainings, financial literacy etc and related advanced courses to help them become self-reliant. All beneficiaries are gainfully employed today.

• Rural Development

While a large chunk of India's total population (nearly 65-70%) resides in rural villages of the country, they lack the most basic amenities and infrastructure.

The task of nation building and development thus is mammoth. While the onus of scaling up rural development interventions/initiatives at macro-level undoubtedly lies with the states, APL Apollo believes that CSR can play a major role in bridging the gaps by focusing on rural development projects via multi-stakeholder engagements & partnerships which can be of contemporary relevance and immense significance with their resources, skills-sharing, technical expertise, strategic & sustainable outlook and employee volunteering. Some of the key CSR projects under the theme are:

APL Apollo Ujjwal - I

To provide better infrastructure and promote a sense of safety and security to villagers especially women, children & the elderly, streetlights were installed in Kesda & Ringni villages in Baloda Bazar District in Chhattisgarh.



APL Apollo Mahila Shakti Bhawan – Kesda

Economic empowerment of women is a prerequisite for sustainable development. Due to the continuous discrimination for ages in our society, women lack awareness and face a complex set of challenges to develop their true potential and Kesda village in Baloda Bazar district in Chhattisgarh was no different. Several meetings/discussions were held to change the minds of the community and to help women become self-reliant. The first intervention in this journey was building of a multipurpose hall/centre 'APL Apollo Mahila Shakti Bhawan-Kesda' in the village for various activities including skill and other trainings, health camps, space for work//livelihood etc for Kesda and even neighbouring villages.

APL Apollo Samuday Bhawan – Ringni

With a focus on rural community development, a multipurpose hall/centre in the village, 'APL Apollo Samuday Bhawan-I, Ringni' was built where the villagers would gather for various group activities, social support, public information including planning for development work, trainings, health camps, space for work//livelihood/ meetings to be led by the Panchayat and the village community. The place now serves as a platform for discussing common issues and addressing them, fostering solidarity and contributes to the empowerment of the community.

- **Food & Nutrition**

Nutrition affects the overall development of not only an individual, but also an entire nation. This is because a diet deficit in nutritive value can have long-term impact on health, leading to diet-related disorders and health issues which result in less productivity as physical output and capacity decrease and economic loss/drain that not only impacts the family but also affects the development of a nation. One of the most impactful projects under this theme is:

Sehat-Poshan-Garima

Aimed at eradicating hunger and malnutrition among the selected group of elderly, abandoned widows of Radhakund (Vrindavan) in Mathura district of Uttar Pradesh, fresh & nutritious food was provided to them daily to ensure they do not go hungry and don't have to struggle or beg for their basic meals, thus ensuring good health as well as their dignity.

- **Health**

While healthcare in the country has made remarkable progress on several fronts, India continues to struggle with critical issues and gaps. Thus healthcare remains underserved, underconsumed and unaffordable to the majority especially as out-of-pocket spending is high. APL Apollo believes that CSR initiatives can become the frontier of healthcare innovation by fortifying infrastructural capabilities, enabling innovation and providing direct care to the underserved and therefore chose this as a priority thematic area.

APL Apollo Umeed

CSR Project APL Apollo Umeed provides support for medical treatment & related interventions, tests, hospitalization, medicines, doctor/medical staff fee, ambulance charges etc, of patients from underserved/vulnerable populations who may not be able to afford the required treatment especially for critical illnesses.

- **Animal Welfare**

The 2030 SDG Agenda envisages a development model "in which humanity lives in harmony with nature and ... other living species are protected." Yet while the relationship between animal welfare, environmental well-being and human development is increasingly researched and evidenced, there remains very little recognition of this relationship and the crucial role animal welfare plays in sustainable development for people and planet and therefore, APL Apollo chose this an important focus area for CSR interventions.

Karuna

In association with/guidance from Noida Authority, community dogs were vaccinated with anti-rabies vaccine in Gautam Buddha Nagar district in Uttar Pradesh, thereby reducing the risk of rabies infection in dogs and in public at large.







Relationship Capital

Fostering relations for sustaining success

APL Apollo consistently engages with its dealers and customers to build long-term relationships and create shared value. It is expanding its product portfolio (including value-added products) and offers bespoke solutions to enhance the customer value proposition.

800+

Dealer Base

2.6

Sales Volumes
(Mn Ton)

55%

Market Share

Competitive Edge

- Unwavering focus on branding and awareness campaigns at the local and national levels.
- Celebrity brand ambassadors who endorse the products.
- Strong distribution channel that is very loyal to the corporate brand.
- Created a strong presence in the digital spaces by leveraging digital media intelligently.

Overview

The Company aims to be the preferred supplier among peers in its business space and exceed customer expectations by providing superior quality and customised products and services. It remains committed to nurturing strong relationships with its dealers and customers and focuses on enhancing their satisfaction levels.





LINKAGE WITH OTHER CAPITALS



Manufactured Capital

Generates orders and keeps the facilities in operations



Financial Capital

Funds branding investments
Generates value for the Company by catalysing sales



Human Capital

Builds efficiency to handle growing business volumes
Fosters transparent business operations to sustain Governance



Intellectual Capital

Pushes team members to ideate novel schemes for the distribution network
Provides the impetus to draw business strategies that strengthen value creation for stakeholders



Social Capital

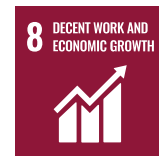
Builds respect for the brand



Natural Capital

Increasing focus on digital and electronic advertisement campaigns reduces the carbon footprint.

SDGs IMPACTED



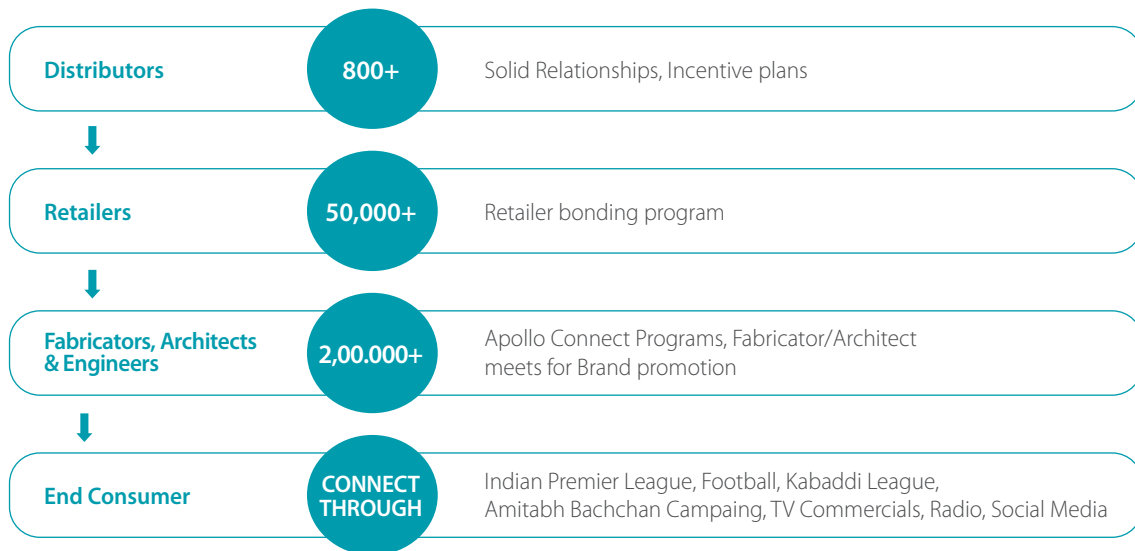
SUPPORTING STRATEGIC AMBITIONS

S1 – INNOVATION	Provides ideas for developing innovative products that are customer-relevant
S2 – MARKET CREATION	Critical for market creation by explaining product attributes and advantages to customers
S3 - ESG	Marketing green products helps society reduce their carbon footprint. Growing dealer base facilitates job creation.

Distribution strength

APL Apollo has a multi-layered distribution network provides a pan-India reach, enabling the Company to capitalise on opportunities mushrooming across the Indian landmass. Its expansive product range, innovative green products that cater to diverse applications, and rewarding dealer schemes facilitate the building of loyalty. It is further cemented by the high-blitz branding initiatives that have positioned its products as aspirational brands.

The Robust Distribution Network



Branding

APL Apollo is one of the few structural tubes that has invested significantly in branding and advertisement campaigns for over a decade. These investments have only scaled over the recent past to create awareness for its pioneering solutions.

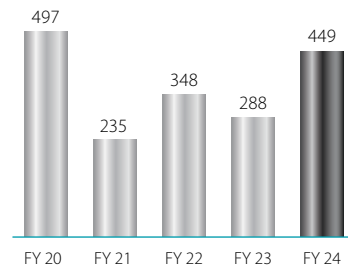
In addition to local product promotion activities in and around dealer establishments, the Company onboarded Bollywood celebrities as their brand ambassadors. It has used celebrity persona to generate enthusiasm for the brand and cement a lasting recall in customers' minds.

Further, it has become the team sponsor for high-decibel national sporting events, which has generated mass appeal for the product and corporate brand.

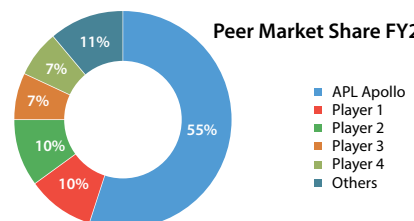
The Company has a dedicated team of young experts who develop content for its social media assets and generate an amplified reach for its posts, ensuring that its product details and corporate achievements reach the right audience.

Additionally, the Company leverages the outdoor space (retail boards and wall paintings) to generate the buzz. It also participates in exhibitions, workshops and seminars to build its network with corporates and institutions.

Branding Expenses (₹ Mn)



Peer Market Share FY24



Our Brand Equity



APL Apollo's Product Brands

<p>Apollo Structural Structural steel construction material: Residential, Commercial, Infrastructure</p>	<p>Fabritech, Build, DFT, Column, FireReady, Agri Plank, Signature, Elegant, Chaukhat</p>
<p>Apollo Z Galvanized structural steel construction material: Residential, Commercial, Infrastructure Coated products</p>	<p>CoastGuard, Color, Rooftuff, AluZinc</p>
<p>Apollo Galv Galvanized steel tubes: Residential, Commercial, Agri, Industrial</p>	<p>Green, Bheem, Z+</p>

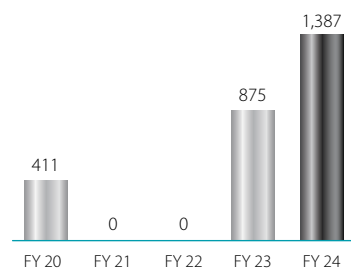
Shareholder connect

APL Apollo's business performance in growth and profitability is among the highest in the huge building product sector. The sustained performance has resulted in unleashing significant shareholder value. Additionally, the Company's frequent interactions with the investing community and investor influencers in articulating their performance, highlighting strategy and allaying fears have built trust in the corporate.

Increasing interest in the Company's performance is reflected in the increasing coverage of the Company and its performance by equity houses and longer conference calls. Analysts and

investors take the Company's commentary seriously, which showcases their trust in the leadership team to achieve their articulated goals.

Dividend Payout
(₹ Mn)





Natural Capital

Driving Positive Environmental Change

APL Apollo's unwavering focus on fostering long-term Connection with the planet lies at the heart of its business sustainability and forms an integral part of its core strategy.

28.2%

Energy from Renewable Sources

4,17,033 kl

Water recycled in FY24

5000

Trees Planted

Share of renewable electricity consumption (%)	FY23	FY24
All APL plants excluding New Raipur (ABPL commissioned in FY23)	37%	41%
All APL plants	37%	28%

Why renewable electricity share decline in FY24 vs FY23

The decline in renewable power contribution to APL Apollo overall consumption in FY24 vs FY23 is attributed to the addition of the New Raipur plant. This plant relies solely on grid electricity, which is non-renewable. As a result, the percentage of renewable electricity has declined. However, if the New Raipur plant is excluded from the calculation, the renewable electricity share would be 41% for FY24.

Future plans for improving renewable electricity share

The newly commissioned Raipur plant was operating on grid electricity during FY24. We have recently initiated the process to launch renewable electricity supply for our ABPL plant, with commissioning expected by February 2025. This initiative will increase ABPL's renewable electricity share to ~80% by FY25, and overall APL's renewable power consumption to 40% in FY25 from 28% in FY24.



Overview

Climate change poses a significant threat to humanity, impacting people, communities, governments, and businesses worldwide. However, there is optimism in the increasing collaboration to mitigate these effects and safeguard our planet.

At APL Apollo, we are dedicated to reducing our environmental footprint, minimizing waste generation, and conserving water. Our robust environmental management system includes thorough evaluations of our operations, particularly in production and distribution. We reinforce this commitment through regular internal audits by company auditors and external audits by certified bodies. Adhering strictly to environmental laws, we manage chemical usage, emissions, and waste disposal to ensure compliance and environmental stewardship.

LINKAGE WITH OTHER CAPITALS



Manufactured Capital

High-tech pollution management equipment create an ambient working environment.
Green products manufactured at the facilities strengthen the Company's reputation as an environment respecting enterprise.



Financial Capital

Provides funds for investment in sustainability.
Environment management practices helps in optimising costs.



Human Capital

Implementing process changes to optimise resource and utility consumption and eliminate wastages.
Implement the Company's environment management strategies.



Intellectual Capital

Ideate on developing green product solutions for the end consumer.
Identify ways of minimising natural resources for business operations.
Identify ways to further reduce the Company's carbon footprint.



Social Capital

Builds trust with communities neighbouring the Company's manufacturing facilities; it is critical for peaceful co-existence.



Relationship

Green products are in demand resulting in significant business growth.
It helps in uplifting the repute and position of the dealer community.

SDGs IMPACTED



SUPPORTING STRATEGIC AMBITIONS

S1 – INNOVATION	Focus on developing new green products to widen the differentiation with peers.
S2 – MARKET CREATION	Green products help create new market spaces and enhances the Company position in an otherwise cluttered market.
S3 - ESG	Astute environment management strengthens the prospects of sustainability



Competitive Edge

- Products foster sustainability.
- Discerning clients pay a premium for environment-friendly products.
- Continuous investments in sustainability initiatives across facilities.
- Provides significant mileage in gaining global recognition.

Energy & Emission Management

APL Apollo's operational strategy prioritizes energy efficiency, recognising the finite nature of non-renewable resources. We are committed to reducing total energy consumption, improving energy efficiency, and adopting sustainable energy alternatives. Our approach includes structured energy and carbon management programs across all business units. We maintain a balanced energy portfolio that integrates renewable and non-renewable sources, supported by substantial investments in renewable energy across our manufacturing facilities.

Water Management

APL Apollo has reduced its overall water consumption by 6% compared to last year, despite a substantial increase in production by 15% YoY. The company has achieved its target of implementing rainwater harvesting facilities at all plants ahead of the 2025 deadline. Over 80% of the plants have Effluent Treatment Plants (ETP) to recycle water for operational use. The Murbad and Mallur plants feature effective sewage treatment plants (STP) for sewage management. Additionally, APL Apollo has implemented Zero Liquid Discharge (ZLD) at 5 plants and aims to transition all facilities to ZLD by 2025.

Currently, 28% of our energy is sourced from renewables, with plans for further increases through ongoing investments. 72% of APL Apollo's plants have access to renewable energy. In FY24, our total renewable energy consumption reached 196,649 GJ, marking a 10% increase from FY23. Additionally, APL Apollo has signed a Power Purchase Agreement with BluPine Energy for a 61.65-megawatt solar plant in Chattisgarh. This project is expected to generate approximately 94.5 Mn units of electricity annually, offsetting over 87,000 Ton of CO2 emissions each year.

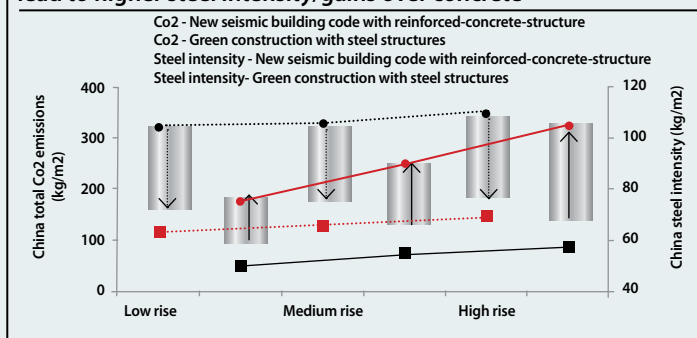
Construction sector contributes 30% of direct and indirect CO₂ emissions. Structural steel is preferred for steel buildings because steel is infinitely recyclable.

- Easy to pre-fabricate
- High volume to weight ratio
- Lighter/ stronger structure allow gains in vertical space

Research indicates replacing reinforced concrete with steel structures can reduce emission by 60%.

Steel Structure - RCC Structure

HAVE YOU SEEN THIS? Decarbonization trend in buildings could lead to higher steel intensity/gains over concrete



Waste Management

The Company addresses waste management challenges through a comprehensive strategy involving monitoring, waste reduction, and maximizing reuse and recycling. APL Apollo's recycling efforts encompass a variety of materials such as End Cuts, Melting Scrap, Rejection Pipes, Side Cuts, Waste Steel Scraps, Zinc Scraps, Wood Residue, Pipe End Cuts, and Canteen Waste, repurposing them as raw materials in a sustainable manner. Improper waste handling can lead to health risks and environmental pollution. To address these issues, the Company collaborates with accredited vendors for responsible waste disposal, wastewater and sludge management, and meticulous recycling of scrap materials.

Biodiversity

APL Apollo has launched several initiatives to enhance green cover, including planting 5,000 trees on a 3.1-acre plot provided by the Government in Gendupur Village, Sikandrabad, near its AMPL (A25/Plot 22) and APL A19 plants. To maximize effectiveness, the Company employs the Miyawaki technique, accelerating plant growth tenfold and increasing density thirtyfold compared to traditional methods. This initiative involves categorizing 1,200 plants into trees with canopies, trees, sub-trees, and shrubs, forming part of a comprehensive three-

year strategy to nurture these mini forests. Beyond planting, ongoing maintenance ensures the health of these mini forests, supplemented by employee-focused plantation drives and gardening initiatives to foster environmental stewardship. APL Apollo strictly upholds a no-deforestation policy across its operations, ensuring no impact reserved or protected forests. Looking ahead, the Company remains committed to innovation, stakeholder collaboration, and creating lasting positive impacts for the planet and future generations.

Green products propagate a cleaner planet.

APL Apollo pioneered ready-made steel doorframes, fences, planks, and handrails for eco-friendly construction, replacing traditional wood applications. Our products save 250,000 trees annually, with ongoing efforts to increase this conservation for a greener planet. As part of our commitment to Steel for Green, APL Apollo introduced the first narrow and thicker color-coated galvanized sheets, further reducing the need for wood. Recently, we launched large-sized structural tubes to support India's infrastructure development, marking a significant advancement in construction technology.

Governance

Stringent Governance is the platform for growing trust in APL Apollo

APL Apollo has diligently fostered a culture of openness where information flows fluidly and lucidly. This has gone a long way towards building strong customer relationships and encouraged better ideas. The Company follows a transparent decision-making process and is committed to protecting the interests of its stakeholders. As a result, APL Apollo is better positioned to identify and control risks, communicate important concerns to stakeholders, and make choices that fairly consider everyone's interests.

APL Apollo frequently alters its processes to serve better the needs of a fast-paced, complicated business environment and to encourage greater responsibility and openness. The Company's robust set of policies and procedures ensures consistency throughout the business and promotes a harmonious work culture for our employees.

APL Apollo's code of conduct is based on the National Guidelines on Responsible Business Conduct (NGRBC) guiding principle, whereby the Company adheres to all legal obligations and corporate governance standards and follows global best practices. The Company has demonstrated its commitment to common values and principles by establishing several frameworks and policies. Additionally, APL Apollo has zero tolerance for internal policies, legal requirements, or violations of conduct standards.

Governance Structure

APL Apollo's corporate governance policies go far beyond merely fulfilling legal requirements. Underpinning the values of honesty, customer focus, cooperation, innovation and sustainability while ensuring the best interests of stakeholders, the Company's governance architecture seamlessly supports its strong cultural framework.

Role of Board

The Board's key purpose is to collectively direct the Company's business, considering the best interests of its shareholders and other relevant stakeholders. The board aims to secure overall prosperity and establishes the Company's strategic goals, ensuring they complement the intended corporate culture and the Company's standards and values.

The Board of Directors is responsible for guaranteeing efficient management, executing business plans, monitoring the Company's performance, assessing its compliance efficacy and evaluating the efficiency of the corporate governance procedures.

Board committees

Various committees assist the Board in discharging its duties and responsibilities, although the ultimate responsibility rests with the Board. The committees periodically report their activities to the Board, and the minutes of the committee meetings are provided to all Board members.



APL Apollo's Board committees are listed below.

- Audit Committee
- Nomination And Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Finance Committee

Policies and practices

APL Apollo has drafted the policies for its Companies based on robust general group policies, values and principles. Staff members are empowered to acquire, comprehend and utilise this knowledge to surpass previous standards through diligence and productivity.

Some of the key policies are mentioned below.

- Code Of Conduct
- Health And Safety
- Anti-Bribery And Anti-Corruption
- Human Rights
- Whistleblower Policy
- Prevention Of Sexual Harassment
- Collective Bargaining
- Investor Protection Policy
- Tax Policy
- Supplier Code Of Conduct
- Business-Responsibility-Policy
- Advocacy and public policy

Advocacy and public policy

The Company participates in public policy talks with governments and regulators directly and through institutional entities to express its opinions and those of its stakeholders on matters important to the Company. Their goal is to offer the industry a comprehensive understanding and unique perspectives. When interacting with all authorities, APL Apollo carries out the role of policy advocacy transparently and responsibly, taking into account not only its business interests and of the industry at large.

Our Eminent Board



Shri Sanjay Gupta

Chairman and Managing Director

Shri Sanjay Gupta has around 27 years of experience in diverse steel industry segments. Under his visionary and dynamic leadership, the Company has evolved from a structural steel tube manufacturer into a global leader in branded steel products. He has inherited excellent Entrepreneurship skills from his father late Shri Sudesh Gupta. Under his leadership, the Company continues to grow exponentially towards becoming an organisation of international repute.



Shri Vinay Gupta

Director

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



Shri Rahul Gupta

Director

Shri Rahul Gupta has completed B.Com. (Hons.) from Delhi University. He has also completed executive courses in the field of Management from reputed B-Schools like the London School of Economics and the Indian Institute of Management, Ahmedabad (IIMA). He is a promising entrepreneur with an experience of around 8 years in the structural 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. He is currently serving on the Board of SG Finserve Limited and Other Group Companies.



Shri Deepak Goyal

Director (Operations)

Shri Deepak Goyal was appointed as Director (Operations) & Group CFO during the year.

He has been working as the Chief Financial Officer of the Company since February 18, 2015. He has been associated with the Company for last 11 years as he had joined APL in the year 2013. Prior to this, he worked with Surya Roshni Limited for about 9 years.

He is a member of ICAI. With an experience of around 2 decades in structural steel tubes manufacturing business, he has handled operational management, marketing and institutional sales. He was responsible for developing corporate strategy, financial planning, overseeing corporate affairs, information technology, human resource and investor relations for APL Group.



Shri Ashok K. Gupta

Vice Chairman

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



Ms. Neeru Abrol

Independent Director

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



Shri Anil Kumar Bansal

Independent Director

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



Shri Virendra Singh Jain

Independent Director

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



Shri Abhilash Lal

Independent Director

A mechanical engineer and postgraduate from IIM Bangalore, Shri Abhilash Lal has 34 years of professional experience in senior roles across financial services, including banking, consulting, real estate, private equity, and restructuring as well as operations. He is also serving as the Director of Apollo Pipes Limited, Ganesh Ecosphere Limited and Kisan Mouldings Limited.



Shri Rajeev Anand

Independent Director

With 12 years of experience as a P&L leader and CEO, Mr. Anand has extensive expertise in manufacturing, operations, and general management. Currently, he is the Chairman and Non-Executive Board Member at DIC India Limited (since November 2020), Senior Advisor and Board Member at Mahansaria Tyres Pvt. Ltd. (since May 2021) and Haldiram Group (since November 2021), Co-Chairman at Hydrolines India Pvt. Ltd. (since January 2023), and a Member of the University Court at Amity University – UP (since January 2017).

He holds a Diploma in Mechanical Engineering from Haryana Polytechnic (1977-1980), a Business Team Management program Certification from the University of Tennessee (1992), and is a member of the Director's Club, a board certification program by Hunt Partners (2017).

Having served as Chairman & Managing Director of a multinational public limited company for 12 years, he has a proven track record of decisive leadership and results-driven performance. Renowned for his ability to develop leaders and implement effective systems and processes at both company and board levels, he has reinvented himself multiple times within Goodyear, holding an unblemished four-decade tenure at Goodyear India Limited, a US Fortune 500 company.



Shri Dinesh Kumar Mittal

Independent Director

Mr. Dinesh Kumar Mittal is a former Indian Administrative Service (IAS) officer of 1977 batch (UP cadre) and has served the government of India in various capacities. Mr. Mittal was Secretary, Department of Financial Services (Ministry of Finance), where he was responsible for overseeing banking, Insurance and Pension policies of India. During his tenure, he worked very closely with the RBI and was on the Board of the RBI, LIC, State Bank of India, IIFCL and IIFCL (UK). Previously as Secretary, Ministry of Corporate Affairs, he worked closely with ICAI, ICSI and ICWAI. As an Additional Secretary, Department of Commerce, Mr. Mittal was the chief negotiator of India for WTO negotiation. He also supervised all multilateral Preferential Tariff negotiations, development and operation of SEZs in India and FDI and Overseas Investment from India. As Joint Secretary, Ministry of Commerce, he had oversight of International Trade and Special Economic Zones. He formulated SEZ policy in March 2000 for the first time in India. He was with ILFS on secondment from the Govt of India and worked in the area of project development and financing of infra projects.

Mr. Mittal has hands on experience in Infrastructure, International Trade, Urban Development, Renewable Energy, Agriculture Development and Micro-Credit, Corporate Governance, Banking, Insurance, Pension and Finance.

Mr. Mittal also serves as a director on the board of various companies including Max Estates Limited, Max Financial Services Limited, Niva Bupa Health Insurance Company Limited and New Delhi Television Limited amongst others.

He holds a master's degree in physics with specialization in Electronics from University of Allahabad, India.



Shri H S Upendra Kamath

Independent Director

Shri H S Upendra Kamath is a distinguished banking professional with an illustrious career spanning over four decades in the Indian Banking Industry. With a remarkable tenure of 35 years at Union Bank of India (UBI), he began his journey in 1973 as a Probationary Officer and served to various departments and eventually to the position of General Manager in UBI. Thereafter, he served in two other Public Sector Banks namely Canara Bank as ED and in Vijaya Bank as CMD. Throughout his extensive career, he held diverse roles and successfully managed operations at various levels, including Zonal Office, Branch Offices, Regional Office and the Head Office of UBI. His outstanding contributions to the banking sector have earned him numerous accolades and recognitions. Notable among these are the "Best Customer Friendly Banker Award 2012," SIDBI's CGFTMSE award, "National award for excellence in lending to Micro Enterprises," and the "IT Leadership Award 2013" by Amity University. With a Certified Associate of Indian Institute of Bankers (CAIB) qualification and a Bachelor of Commerce (B. Com) degree, He possesses a wealth of expertise in critical areas such as MSME, Retail Banking, Priority Sector, Recovery and Legal, Risk Management, International Banking, Treasury, Credit Monitoring, and Administration.



Mrs. Asha Anil Agarwal

Independent Director

Mrs. Asha Anil Agarwal is a former Principal Chief Commissioner of the Income Tax in the Indian Revenue Service, Ministry of Finance, Central Government India, Ms. Agarwal, brings with her around four decades of rich experience in the Indian Revenue Service. Her impressive knowledge of Taxation, Finance and General Management are strongly backed by her rich professional experience.

Our team at the Top



Shri Sanjay Gupta
Chairman & Managing Director



Shri Vinay Gupta
Director



Shri Rahul Gupta
Director



Shri Deepak Goyal
Director-Operations



Shri Anubhav Gupta
Chief Strategy Officer



Shri Ravindra Tiwari
Chief Sales Officer



Shri Chetan Khandelwal
Chief Financial Officer



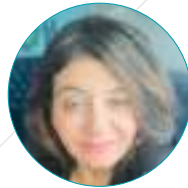
Shri C. K. Singh
Chief Operating Officer



Shri Vaibhaav Sharma
Chief Information Officer



Shri Deepak C S
Company Secretary &
Chief Compliance Officer



Ms. Charu Malhotra Bhatia
Chief Brand Officer



Shri Amit Thakur
Head Procurement



Shri Utkarsh Dwivedi
CEO, International Business

Corporate Information

Chairman & Managing Director

Mr. Sanjay Gupta (DIN: 00233188)

Vice Chairman

Mr. Ashok K. Gupta (DIN: 01722395)

Directors

Mr. Virendra Singh Jain (DIN: 00253196)

Ms. Neeru Abrol (DIN: 01279485)

Mr. Abhilash Lal (DIN: 03203177)

Mr. Anil Kumar Bansal (DIN: 06752578)

Mr. Vinay Gupta (DIN: 00005149)

Mr. Rahul Gupta (DIN: 07151792)

Mr. H S Upendra Kamath (DIN: 02648119)

Mrs. Asha Anil Agarwal (DIN: 09722160)

Mr. Rajeev Anand (DIN: 02519876)

Mr. Dinesh Kumar Mittal (DIN: 00040000)

Director (Operations) & Group CFO

Mr. Deepak Goyal (DIN: 03056481)

Chief Strategy Officer

Mr. Anubhav Gupta

Chief Financial Officer

Mr. Chetan Khandelwal

Company Secretary

Mr. Deepak C S

Registered Office

37, Hargobind Enclave, Vikas Marg, Delhi – 110092

Corporate Office

SG Centre Plot No 37C, Block-B Sector-132, Noida, Uttar Pradesh - 201304

Registrar & Share Transfer Agent

Abhipra Capital Limited
A387, Dilkush Industrial Area,
G.T. Karnal Road
Azadpur, Delhi – 110 033

Auditors

Statutory Auditors

Deloitte Haskins & Sells, LLP
Chartered Accountants
7th Floor, Building 10, Tower B,
DLF Cyber City Complex,
DLF City Phase - II,
Gurgaon – 122002

Cost Auditors

Sanjay Gupta & Associates
Cost Accountants
D-58, Defence Colony, New
Delhi-110024

Secretarial Auditors

Parikh & Associates,
Company Secretaries
111, 11th Floor, Sai-Dwar CHS Ltd,
Sab TV Lane, Opp Laxmi Industrial
Estate
Off Link Road, Above Shabari
Restaurant,
Andheri (W), Mumbai: 400053

Internal Auditors

Protiviti India Member Private Limited
15th Floor, Tower A, DLF Building No. 5,
DLF Phase III, DLF Cyber City
Gurugram, Haryana 122010

Bankers

State Bank of India
Union Bank of India
Bank of Baroda
HDFC Bank Limited
Axis Bank Limited
Kotak Mahindra Bank Limited
HSBC Bank Limited
Citibank N. A.
Indusind Bank Ltd.
ICICI Bank Ltd.
CTBC Bank Co., Ltd.

Works

Unit-I

A-19 & 20, Industrial Area,
Sikandrabad,
Distt. Bulandshahar, (U.P.)

Unit-II

No.332-338, Alur Village
Perandapalli, Hosur (Tamil Nadu)

Unit-III

Plot No. M-1, Additional MIDC Area,
Murbad, Thane, Maharashtra-421401

Unit-IV

Village Bendri, Near Urla Industrial Area,
Raipur, Chhattisgarh-492001

Unit-V

Survey No. 443,444,538,539 Wadiaram
village, Chegunta (Mandal),
Medak district, Telengana- 502255

Unit-VI

No. 9 to 11, KIADB Industrial Area
Attibele, Bengaluru – 562107

Unit-VII

Plot No. 53, Part-1, 4th Phase,
Industrial Area,
Sy. No. 28-33, Kurandhalli Village,
Kasaba Hobli, Malur, Taluk,
Distt. Kolar-563130, Karnataka.

Subsidiaries Plant Locations

APL Apollo Tubes Company LLC

Sector-710, Block 22 Plot No. 9 to 26
Industrial Area, Umm Al Quwain, UMM
DERA, United Arab Emirates.

Apollo Metalex Private Limited

Unit-I: A-25, Industrial Area,
Sikandrabad,
Distt. Bulandshahar, (U.P.)

Unit-II: Plot No. 22, Industrial Area,
Sikandrabad,
Distt. Bulandshahar, (U.P.)

Apollo Building Products Pvt. Ltd.

Village- Rigni, Kesda, Tahsil-
Simga, Distt.- Baloda Bazar-
Bhatapara, Chhattisgarh-493113



Management Discussion & Analysis





Indian Economy

India's economic activity remained robust in FY2023-24 despite the uncertainties in West Asia and volatile crude oil prices, reflecting its resilience. Economists worldwide appreciated India's emphasis on capital expenditures in building airports, roads, railroads, etc.

The International Monetary Fund (IMF) recently pegged India's GDP growth for FY24 to 7.8%. This projection is attributed to robust Government capital expenditures and resilient domestic consumption.

The seasonally adjusted headline HSBC Flash India Composite PMI output index rose to a near 14-year high of 62.2 in April from 61.8 in March. The composite index is a weighted manufacturing and services business activity index average. A reading above 50 indicates expansion.

The manufacturing PMI stood at 59.1 in April, the same as in March, while the services PMI rose to 61.7 from 61.2 in March. The output of the eight core sectors, which include coal, crude oil, steel, cement, electricity, fertilisers, refinery products and natural gas, was 7.5% in 2023-24.

(Source: Moneycontrol and ABP Live)

Improvements in business activity have also resulted in more jobs being generated. The manufacturing sector increased its workforce at the highest rate in the last one and a half years.

In March, India's retail inflation rate decreased to its lowest level in 10 months, although it surpassed the Reserve Bank of India's (RBI) target of 4%.

The FY2023-24 saw the highest goods and services tax (GST) collections, reflecting robust economic growth and higher compliance. The gross GST collections by the Centre and State Governments clocked ₹20.18 trillion, an 11.7% increase from the previous year.

(Source: pib.gov.in)

Concerns: However, India is not immune to downside risks. For instance, a higher interest rate for a longer period can cause both businesses and consumers to cut back on spending, which may result in lower earnings.

As a net oil importer, India's elevated oil prices can impact growth, inflation and Government finances if it decides to absorb part of the increase. Moreover, geopolitical uncertainties and their potential effects on inflation and trade disruptions may dampen India's growth momentum.

Outlook: Despite India's comparative macro stability, economists at IMF cautioned that the country's GDP growth could moderate to 6.8% in FY25 from a likely 7.8% in FY24 due to global risks, including a protracted global slowdown, geopolitical tensions, tighter global financial conditions and high commodity prices.

Source

<https://timesofindia.indiatimes.com/business/india-business/imf-raises-indias-fy24-gdp-growth-forecast-to-7-8-higher-than-the-governments-projection/articleshow/109747080.cms>

https://www.business-standard.com/finance/news/economists-push-out-rbi-s-interest-rate-cut-forecasts-to-end-of-year-124050200362_1.html

<https://www.livemint.com/economy/business-activity-grew-at-fastest-pace-in-14-years-in-april-hsbc-survey-shows-11713850824177.html#:~:text=The%20HSBC%20Flash%20India%20Composite%20PMI%20output,in%20aggregate%20business%20activity%20since%20June%202010.>

<https://www.businesstoday.in/latest/economy/story/buoyant-gst-collections-in-fy24-may-give-centre-room-to-raise-target-for-fy25-in-full-budget-423997-2024-04-02>



Indian Structural Steel Space

Structural steel is specifically manufactured and designed for construction projects to create structural components of high-rise buildings, bridges, airports, railway stations and other infrastructure. Its high strength, durability and ductility make it ideal for bearing heavy loads and withstanding various environmental conditions.

Structural steel is commonly used in constructing beams, columns, frames and other load-bearing elements due to its ability to support large structures while maintaining stability and safety in extreme weather conditions, seismic activity and fire hazards. Its high strength-to-weight ratio allows for lighter and more cost-effective structures, reducing materials and labour costs.

Steel's durability and resistance to corrosion result in longer-lasting buildings with minimal maintenance requirements. Its versatility enables

architects and engineers to design innovative, complex structures that accommodate diverse architectural styles and functional requirements.

Additionally, steel is recyclable, making it an environmentally sustainable choice. Its prefabrication capabilities facilitate faster construction times, reducing project timelines and minimising disruptions.

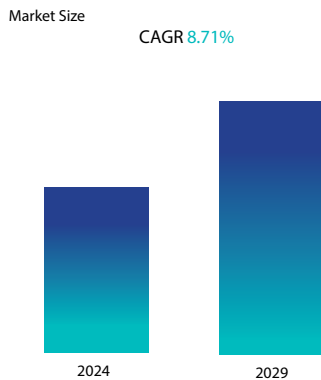
Several factors will drive anticipated growth in the Indian structural steel market. These include heightened demand from the manufacturing sector, a growing preference for pre-engineered buildings (PFB) and components, and Government initiatives aimed at infrastructural development.

The prefabricated building market is expected to grow at a CAGR of around 8.5%, propelled by initiatives like 'Digital India and 'Smart Cities'.

Key drivers of growth in the Indian structural steel market in the coming years are the robust expansion of the commercial building sector, coupled with government initiatives promoting green buildings, smart cities and the Make in India campaign, which is poised to stimulate the structural steel market.

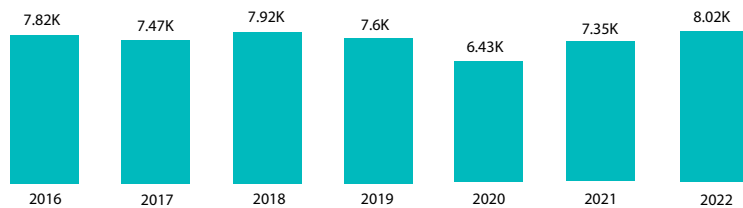
Additionally, Government projects such as the construction of metro stations, new no-frill airports, international terminals, industry corridors, power plants and ports necessitate substantial steel structures. These initiatives are expected to be primary catalysts for driving growth in the Indian structural steel market.

India Structural Steel Fabrication Market



Source : Mordor Intelligence

Production Volume of Structural Steel, in Thousand Metric Tons, in India, 2016-2022



Source : Industry Association

Source : <https://www.mordorintelligence.com/industry-reports/india-structural-steel-fabrication-market--growth-trends-and-forecast-2019---2024>
<https://www.researchandmarkets.com/reports/5177287/india-prefabricated-buildings-industry-study#:~:text=The%20Prefabricated%20Building%20Market%20in%20India%20is,expand%20to%20a%20size%20of%20USD%201>

University in Hyderabad on APL Apollo tubular construction



About the Company

APL Apollo dominates India's structural steel tube business and is a market innovator. The Company is highly renowned for its originality and inventive spirit in the structural steel industry.

It maintains a wide array of products to meet the needs of diverse end-user industry areas. Its portfolio includes about 2500 SKUs and multiple intellectual property rights (IPRs), including designs and trademarks.

The Company produces speciality and commodity-level items at its 11 cutting-edge production sites. With over 800 dealers nationwide, it has established a deep and extensive distribution network to serve customers throughout India. The Company interacts with architects, construction consultants and fabricators—key decision influencers—to raise awareness of its products and solutions.

APL Apollo exports its goods to more than 30 countries. With its headquarters in Delhi-NCR, India, the Company is led by its Chairman and Managing Director, Shri Sanjay Gupta. A group of knowledgeable and driven experts competently assists him. The BSE and NSE list the Company's equity.

India has a substantial structural steel tube potential.



Airport



High rise buildings



Our Operational Performance

FY24 was a roller coaster ride. After a very tough FY23, which was highly disrupted because of the global commodity meltdown, which impacted several business sectors, FY24 was expected to bring considerable optimism.

However, after 12 months, the Company registered a sales volume of 2.62 mn tons, almost a 13% shortfall from the guidance of 3 mn tons, around 350,000 tons of volume shortfall.

FY24 started with India having its own problems like high interest rates and inflation; the upswing in the steel sector was transformed after almost 3 years - 4 years after the new capacity came online. Numerous factors impacted the momentum

- The Company lost about 100,000 tons owing to the overall slowdown in consumption activity, particularly in the retail sector,
- 100,000-ton volume was lost due to the delayed ramp-up of Raipur and the Dubai plants

- New steel capacity came online in October and November, which impacted the Q3 FY24 performance as volumes declined considerably.

However, on a y-o-y comparison, sales volume increased by 15%. Additionally, APL Apollo has completed its capacity expansion program, which has taken its capacity to almost 4 mn tons as of March 2024. And with a paltry CAPEX of about ₹600 crore, its capacity will be 5 mn tons. The Company is now on a solid platform to drive its earnings for the next 2 to 3 years.



Organized retail



Greenhouse



Warehouses



Futuristic Cityscape

Financial Performance

In an otherwise volatile business environment, the Company reported another robust performance. Sales volume at 2.62 Mn tons increased by 15% over the previous year. These numbers could have been higher had it not been for the multiple challenges that restrained the Company's progress.

Revenue from Operations at ₹18,119 crore increased by 12% over the previous year. EBITDA, at ₹1,192 crore, scaled by 17%. The higher uptick was due to an increased proportion of value-added products in the sales mix and continuing cost management initiatives across all its operating facilities.

EBITDA margin improved by 26 bps to 6.6% for FY24, while the EBITDA per tonne increased to ₹4,553 per tonne. This performance was very encouraging as it transpired under trying external conditions. Net Profit for the year stood at ₹732 crore against ₹642 crore in the previous year.

The Company further streamlined its working capital management. As a result, the average net working capital cycle dropped further – from 5 days in FY23 to 1 day in FY24. It helped in improving organisational liquidity – the operating Cash Flow increased from ₹967 crore in FY23 to ₹1,121 crore in FY24.

Networth stood at ₹3,605 crore as on March 31, 2024, as business surplus was ploughed into the business. Total Debt increased from ₹873 crore as of March 31, 2023, to ₹1,125 crore as of March 31, 2024. Interestingly, the cash and cash equivalents increased from ₹629 crore as on March 31, 2023, to ₹1,143 crore as on March 31, 2024. As a result, the Company has become cash surplus with Net cash of ₹18 crore – showcasing the robustness of the operating model.

Return on Capital Employed remained stable at a shade above 29%, which showcases the astute utilisation of capital employed in the business.

Particulars	2023-24	2022-23	Change (%)	Reason for change
Current ratio	1.3	1.2	14	Working capital further improved
Debt-equity ratio	(0.01)	0.1	-	Solid cash flow generation led to debt repayment
Interest coverage ratio	9.6	13.9	-31	Slightly declined because of higher capex spends in our new facilities at Raipur and Dubai.
EBITDA Margin (%)	6.6	6.3	+26.1 bps	Our focus was mainly on Value Added Products
Net Profit Margin (%)	4.0	4.0	+7.2 bps	Stable throughout the year
Return on Net Worth (%)	22.2	23.5	-136 bps	Interest cost was slightly higher because of high interest rates & increased loan in subsidiaries

Internal Control & its Adequacy

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

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

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



Human Resource

The Company recognises that sustainable and profitable growth occurs only when the focus is on performance culture and where employees are engaged and empowered to be the best they can be. Constant reinforcement of accountability and ownership is taken to encourage employees to be equal partners in every step of Apollo's transformation journey.

Apollo maintains a collaborative, inclusive, non-discriminative and safe work culture and provides equal opportunities to all employees. The Company is implementing several skill-building initiatives and readying its personnel for a future when intelligent work practices will be commonplace. Apollo is committed to cultivating performance- and business-oriented leaders to unleash the human potential that will propel the organisation ahead.

A stimulating work atmosphere has also been maintained, allowing all employees to develop and learn at every stage of their lives, which is a major factor in the Company's expansion. Benefits, including frequent training programmes and performance-linked incentives, most dispersed around the nation, ensure a low attrition rate.

Risk Management

APL Apollo has a robust risk management system that proactively identifies, assesses and minimises the impact of risk. This enables the organisation to make informed choices that align with long-term objectives.

DIRECTORS' REPORT



To the Members of .

APL Apollo Tubes Limited

Your Directors have pleasure in presenting the Thirty Ninth (39th) Annual Report on the business and operations of your company together with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE

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

(₹ In Crore)

Particulars	Consolidated		Standalone	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Gross sales	18,118.80	16,165.95	13,858.81	14,279.29
Add : Other income	74.87	47.18	56.67	41.91
Total revenue	18193.67	16,213.13	13,915.48	14,321.20
Profit before Depreciation, Finance Costs and Tax Expense	1267.04	1068.73	762.41	839.15
Less : Depreciation and amortisation	175.93	138.33	100.29	102.46
Less : Finance cost	113.39	67.09	50.49	47.51
Profit before tax (PBT)	977.72	863.31	611.63	689.17
Less : Tax expense	245.28	221.45	157.92	177.25
Profit after tax for the year (PAT)	732.44	641.86	453.71	511.92

The Company's consolidated gross turnover in the financial year 2023-24 increased significantly by 12.08 % from ₹16,165.95 Crores to ₹18,118.80 Crores. The EBITDA has increased by 18.56% % from ₹1068.73 Crores to ₹1267.04 Crores for the year under review. The net profit of the Company has also increased by 14.11 % from ₹641.86 Crores to ₹732.44 Crores during the year under review.

DIVIDEND

The Board of Directors of the Company is pleased to recommend a dividend @275% (₹5.50 per share) as final dividend on the equity shares for the year 2023-24 subject to declaration of the same by the members at the ensuing annual general meeting. The payment of dividend will be subject to deduction of applicable taxes and shall be paid for the full year on the shares

held as on the record date irrespective of the date of issue of the shares during the year.

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has Dividend Distribution policy. During the year, there have been no changes to the policy. Hence, the same is not annexed to this report, as the same is available on our website at <https://aplapollo.com/wp-content/uploads/2020/10/Dividend-Distribution-Policy.pdf>

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.

OVERVIEW

India's economic growth story continues to surprise the world amid several wars in different parts of the world, trade tensions between economies and stagnant inflations in many economies across the globe.

India's GDP registered a solid ~7.8% increase over last year, despite the high-base effect. This progress is attributable mostly to capital expenditure on infrastructure by the Central Government and domestic consumption. Manufacturing has witnessed a strong revival too with PMI rising to 59.1 in March, a 16-year high.

The simultaneous growth in manufacturing and infrastructure has provided dual advantages for the country, contributing to an upward trend in domestic finished steel consumption. APL Apollo stands out as a prominent player in this segment.

BUSINESS PERFORMANCE

As a market leader in the structural steel space in India, APL Apollo continued to be on its high-performance trajectory in the last financial year. Healthy growth was registered in all key performance metrics.

The revenue from operations saw a 12% increase compared to the previous financial year. EBITDA surged to ₹1192 Crore from ₹1022 Crore in the last fiscal year, while net profit rose by 14% to ₹732 Crore, up from ₹642 Crore the previous year. Operating cash flow in FY24 reached ₹1121 Crore, marking a 16% growth from the previous year. EBITDA per tonne increased to ₹4553 in FY24, up from ₹4481 per tonne in FY23, attributed to the significant fluctuations in steel prices during the first half of the financial year.

The Company continued building on its three-pillar strategy – Innovation, Market Creation and ESG.

It emerged as the first company in the world to successfully develop 1000x1000 mm square tubes which are currently undergoing trials.

After the completion of its showcase Delhi hospitals project, the Company received new enquiries for 45 such projects, totalling 42 million square feet creating a visibility and 220,000 tonnes of heavy structural tubes.

On the ESG front, your Company scaled new heights. In the DJSI FY22 score, the Company stood at the 80th percentile. Its score reached a high of 29 points, above the industry average of 22.

POSSIBILITIES AND PROSPECTS

Macro factors: FY25 appears to be a promising year for the Company owing to the renewed infrastructure thrust given by the Government through the Union Budget 2024 with a substantial increase in the allocation over last year.

Sectoral opportunities: Just like last year, this year in the interim budget, the Indian Railways remains one of the key beneficiaries of the Union Budget 2024. The budget for 2024-25 is ₹2.55 Lakh Crore, which is a 5.8% increase from the previous year.

Among other things, this budget includes plans for railway infrastructure investment, and the development of three major economic railway corridor programs namely, the Energy corridor, Mineral corridor, and Cement corridor.

Further, in a bid to modernise the expansive network, Indian Railways has initiated the Amrit Bharat Station Scheme, aimed at redeveloping 1,309 stations nationwide. As a leading player in the finished steel space, APL Apollo has participated in some of the tenders floated by the Indian Railways and is hopeful of securing some projects. When that happens, it would open a new revenue vertical for the Company.

Many new airports are coming up in tier 2 cities of India, with many urban centres getting their second one. As of July 2023, India is currently working on over USD 15 billion worth of airport projects, including expansions to its busiest airports and the construction of a new largest airport. This should help the Company in garnering healthy volumes for its heavy structural tubes.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls as referred in Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2024 the Board is of the opinion that the Company had sound Internal Financial Controls commensurate with the size and nature of its operations and are operating effectively and no reportable material weakness was observed in the system during the year.

Based on annual Internal Audit programme as approved by Audit Committee of the Board, regular internal audits are conducted covering all offices, factories and key areas of the

business. The findings of the internal auditors are placed before Audit Committee, which reviews and discusses the actions taken with the management. The Audit Committee also reviews the effectiveness of company's internal controls and regularly monitors implementation of audit recommendations.

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

ANNUAL RETURN

In accordance with the provisions of Section 134 (3)(a) of the Companies Act, 2013, the Annual Return, as required under Section 92 of the Act for the financial year 2023-24, is available on the Company's website at <https://aplapollo.com/financial>.

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES

The Company had five wholly-owned subsidiaries as on March 31, 2024, namely Apollo Metalex Private Limited, Blue Ocean Projects Private Limited, APL Apollo Building Products Private Limited, APL Apollo Mart Limited and A P L Apollo Tubes Company LLC.

During the year under review, one Dubai based wholly owned subsidiary named APL Apollo Tubes FZE got liquidated. A report on the performance and financial position of each of the subsidiaries in form AOC-1 is annexed hereto as **Annexure 'A'** and forms part of this report.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements and related information of the subsidiaries, where applicable, will be available for inspection during regular business hours at the company's corporate office at SG center – B-37 C, Sector-132, Noida, Uttar Pradesh-201303 and the same are also available at our website i.e. <https://aplapollo.com/financial>.

The Company has no associate companies or joint venture companies.

DEPOSITS

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

SHARE CAPITAL

As on March 31, 2024 the authorized capital of the Company stood at ₹97 Crore divided into 48,50,00,000 equity shares of ₹2 each.

During the financial year under review, the Company allotted 1,93,750 equity shares of ₹2 each at a price of ₹143.86 (including premium of ₹141.86), pursuant to APL Apollo Employees Stock Option Scheme (ESOS-2015) to eligible employees of the Company and of its subsidiaries.

Pursuant to abovesaid allotments of Equity shares, the paid-up capital of the Company stands increased from ₹55.47 Cr to ₹55.50 Cr comprising of 27,75,24,564 equity shares of ₹2 each.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

During the year under review, Shri Deepak Goyal (DIN: 03056481) was appointed as Whole-time Director, designated as Director (Operations) & Group CFO of the Company w.e.f. 12th May, 2023 for a period of five years and the requisite resolution in this regard was passed by the Shareholders on 10th August, 2023 through Postal Ballot (through remote e-voting only).

Shri H S Upendra Kamath (DIN: 02648119) and Mrs. Asha Anil Agarwal (DIN: 09722160) were appointed as Non-Executive Independent Directors of the Company w.e.f. 30th October, 2023 for a period of three years and the requisite resolution in this regard was passed by the Shareholders on January 26, 2024 through Postal Ballot (through remote e-voting only).

During the year under review, Shri Ameet Kumar Gupta (DIN: 00002838) resigned from the position of Independent Director of the Company w.e.f. August 5, 2023 due to his increased commitment elsewhere. The Board places on record its appreciation and gratitude for the contributions made by him during his tenure.

During the year under review, Shri Romi Sehgal (DIN: 03320454) resigned from the position of Directorship w.e.f. May 12, 2023 due to his personal pre-occupations. The Board places on record its appreciation and gratitude for the contributions made by him during his tenure.

During the year under review, Shri Chetan Khandelwal was appointed as Chief Financial Officer (KMP), of the Company w.e.f. 1st November, 2023. Shri Deepak Kumar was relieved from the additional responsibility of Chief Financial Officer of the Company w.e.f. 1st November, 2023.

The Board of Directors, upon recommendations of Nomination and Remuneration Committee, appointed Shri Rajeev Anand

(DIN: 02519876) as an Additional Independent Director on the Board of the Company w.e.f. May 11, 2024 subject to approval of members of the Company at the general meeting/ postal ballot.

The Board of Directors, upon recommendations of Nomination and Remuneration Committee, appointed Shri Dinesh Kumar Mittal (DIN: 00040000) as an Additional Independent Director on the Board of the Company w.e.f. May 11, 2024 subject to approval of members of the Company at the general meeting/ postal ballot.

Further, in pursuance of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, all Independent Directors of the Company have duly confirmed validity of their respective registration with the Indian Institute of Corporate Affairs (IICA) database.

Further, in the opinion of the Board, the Independent Directors of the Company possess the requisite expertise skill and experience (including the proficiency) and are persons of high integrity and repute as well as are independent of the management.

PARTICULARS OF REMUNERATION

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

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

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

The reports the Auditors on the standalone and consolidated financial statements for the FY 2023-24 do not contain any qualification, reservation or adverse

remark requiring any explanation on the part of the Board. The observations given therein read with the relevant notes are self-explanatory.

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

B. Cost Auditors

The Company has maintained the cost records as prescribed by the Central Government under Section 148(1) of the Act.

In terms of Section 148 of the Act, the Company is required to get the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company in its meeting held on May 12, 2023, on the recommendation of the Audit Committee, approved the appointment of M/s Sanjay Gupta & Associates, Cost Accountants, New Delhi, (ICWAI Registration No. 000212) as the cost auditors of the Company for the year ending March 31, 2024 in place of M/s. R. J. Goel & Co., Cost Accountants.

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 2024-25. M/s. Sanjay Gupta & Associates, have vast experience in the field of cost audit and have been cost auditors of many reputed companies.

The Cost Audit Report of the Company for the Financial Year ended March 31, 2024 will be filed with the MCA after its noting by the Board. The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors had appointed M/s Parikh & Associates, Company Secretaries in practice as Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2023-24. The report given by them for the said financial year in the prescribed format is annexed to this report as **Annexure 'C'**. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark. Further, the Board in its meeting held on May 11, 2024 has re-appointed the said firm for conducting the secretarial audit for the financial year 2024-25 also.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2024, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Companies Act, 2013 read with Regulation 23 of SEBI (LODR), 2015.

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

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

EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company, under the APL Apollo Employee Stock Option Scheme- 2015 ("ESOS-2015"), approved by the shareholders vide postal ballot resolutions on July 27, 2015 and December 22, 2015, grants share-based benefits to eligible employees of the Company and employees of subsidiaries with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company. The total number of equity shares to be allotted pursuant to the exercise of the stock incentives under the ESOS-2015 to the employees of the Company and its subsidiaries shall not exceed 7,50,000 equity shares. Further, a statement giving complete details under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2024 is available on the website of the Company at <https://aplapollo.com/>. There is no material change in the said scheme during the year.

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures.

- b. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at March 31, 2024 and of the Company's profit for the year ended on that date.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The annual financial statements have been prepared on a going concern basis.
- e. The internal financial controls are laid down to be followed that and such internal financial controls are adequate and are operating effectively.
- f. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

During the year under review, the Company has made contribution of ₹0.54 Cr for various CSR purposes in compliance to the provisions of Companies Act, 2013 relating to Corporate Social Responsibility and has transferred ₹9.84 Crores to the unspent CSR account of the Company on 29.04.2024 pertaining to ongoing projects.

The Annual Report on CSR activities for the financial year 2023-24 containing salient features of CSR Policy and other relevant details is annexed herewith as **Annexure 'D'**. The CSR Policy has been uploaded on the Company's website and may be accessed at the link: https://aplapollo.com/wp-content/uploads/2020/06/CSR_POLICY_APL.pdf.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of Section 186 of the Companies Act, 2013 and rules framed thereunder, details of Loans, Guarantees given and Investments made have been disclosed in the Notes to the financial statements for the year ended March 31, 2024.

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

In term of Regulation 34 of the listing regulations, Management's Discussion and analysis report for the year under review, is presented in a separate section, forming an integral part of this annual report.

CORPORATE GOVERNANCE

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

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

- a) Particulars of the Board Meetings held during the financial year under review.
- b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- c) The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- e) Details regarding Risk Management.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

During the period under review, the Company has duly complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the provisions of the said Act and an Internal Complaints Committee has

also been set up to redress complaints received regarding Sexual Harassment.

No complaint of sexual harassment was received during the financial year 2023-24.

OTHER DISCLOSURES AND REPORTING

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

1. Change in the nature of business of the Company.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Any remuneration or commission received by Managing Director of the Company, from any of its subsidiary.
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this report.
5. Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and company's operations in future.
6. Material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.
7. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.
8. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

APPRECIATION

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

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Chairman & Managing Director
(DIN: 00233188)

Place: Noida

Date: May 11, 2024

Form No. AOC-1

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

Part "A": Subsidiaries**REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY:**

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

(₹ in Crore)

S. No.	Name of Subsidiary	Apollo Metalex Private Limited	Blue Ocean Projects Private Limited	APL Apollo Building Products Private Limited	APL Apollo Mart Limited
1	Share Capital	2.71	0.06	800	109.36
2	Other Equity	839.57	125.67	29.49	(11.91)
3	Total Assets	1,077.54	148.98	2,266.09	98.13
4	Total Liabilities	1,077.54	148.98	2,266.09	98.13
5	Investments	2.27	118.81	-	95.21
6	Turnover	2,871.53	6.59	31,89.24	-
7	Profit/(Loss) Before Taxation	328.12	0.61	32.43	0.72
8	Provision of Taxation	82.66	0.18	6.21	0.18
9	Profit/(Loss) After Taxation	245.47	0.43	26.22	0.54
10	Proposed Dividend	0	0	0	0
11	% of Shareholding	100	100	100	100

(₹ in Crore)

S. No.	Name of Subsidiary	A P L Apollo Tubes Company L L C
1	Reporting Currency	AED
2	Exchange Rate	21.88
3	Share Capital	65
4	Other Equity	5.09
5	Total Assets	251.12
6	Total Liabilities	251.12
7	Investments	-
8	Turnover	121.92
9	Profit Before Taxation	5.27
10	Provision of Taxation	-
11	Profit After Taxation	5.27
12	Proposed Dividend	-
13	% of Shareholding	100

Note:

1. Name of subsidiaries which are yet to commence operations: APL Apollo Mart Limited.
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part "B": Associates and Joint Ventures

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

For and on behalf of the Board of Directors of
APL APOLLO TUBES LIMITED

Sd/-

SANJAY GUPTA

Chairman & Managing Director

DIN : 00233188

Sd/-

DEEPAK KUMAR

Director

DIN : 03056481

Sd/-

CHETAN KHANDELWAL

Chief Financial Officer

Sd/-

DEEPAK C S

Company Secretary

ICSI Membership No. : F5060

Place: Noida

Date: May 11, 2024

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

- (1) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24: The ratio of the remuneration of Shri Sanjay Gupta, Chairman and Managing Director to the median remuneration of the employees of the Company is 134:1 and ratio of the remuneration of Shri Deepak Kumar, Whole Time Director to the median remuneration of the employees of the Company is 33:1. Sitting Fees paid to the Directors has not been considered as remuneration.
- (2) The percentage increase in remuneration of each director, chief financial officer, company secretary during the financial year 2023-24: Shri Sanjay Gupta, Chairman, Nil, Shri Deepak Kumar, Whole Time Director, 11.60 %, Shri Chetan Khandelwal, Chief Financial Officer, Not Applicable and Shri Deepak C S, Company Secretary 23.80 %.
- (3) The percentage increase in the median remuneration of employees for the financial year 2023-24 is 7.86 %
- (4) The number of permanent employees on the rolls of the company as on March 31, 2024 is 1493.
- (5) The average increase in the managerial remuneration for the FY 2023-24 is 17.70 % and the average increase in the salary of employees other than managerial personnel for the FY 2023-24 is 9.60%. Managerial Personnel includes Chairman, Managing Director, Executive Director, Chief Financial Officer and Company Secretary.
- (6) We affirm that the remuneration paid in the financial year 2023-24 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Chairman and Managing Director

(DIN: 00233188)

Place: Noida

Date: May 11, 2024

ANNEXURE C”

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,

The Members,

APL Apollo Tubes Limited

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;(Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
 - (a) Indian Explosives Act, 1884
 - (b) Environment (Protection) Act, 1986

- (c) The Water (Prevention & Control of Pollution) Act, 1974
- (d) Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013
- (e) Air (Prevention & Control Pollution) Act, 1981
- (f) Industrial Employment (Standing Orders) Act, 1946
- (g) Industries (Development & Regulation) Act, 1951

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We report that the Company has an unspent amount of ₹9,83,71,454/- towards Corporate Social Responsibility ("CSR") during the year pertaining to ongoing projects and has been transferred to the unspent CSR account of the Company on 29.04.2024.

We further report that:

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

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

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

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

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

- a) The Company had allotted 1,93,750 equity shares on ESOP basis pursuant to the APL Apollo Employees Stock Option Scheme-2015.

For Parikh & Associates

Company Secretaries

Sd/-

Sarvari Shah

Partner

FCS No: 9697 CP No:11717

UDIN: F009697F000351533

PR No.: 1129/2021

Place: Mumbai

Date: May 11, 2024

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

'Annexure A'

To,
The Members,
APL Apollo Tubes Limited

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

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

For Parikh & Associates

Company Secretaries

Sd/-

Sarvari Shah

Partner

FCS No: 9697 CP No:11717

UDIN: F009697F000351533

PR No.: 1129/2021

Place: Mumbai

Date: May 11, 2024

ANNUAL REPORT ON THE CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company

The Board of Directors' at its meeting held on 18th February, 2015 approved the "APL Apollo Tubes Limited CSR Policy" (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 describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large. The main objective of the Policy is to establish the basic principles and the general framework of action for the management to undertake and fulfil its corporate social responsibility.

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 Virendra Singh Jain	Member (Independent Director)	1	1
3	Shri Ashok Gupta	Member (Non-executive 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:

https://aplapollo.com/wp-content/uploads/2020/06/CSR_POLICY_APL.pdf

4. Provide the executive summary alongwith web-link(s) 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: NA

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

The average Net Profit of three financial years preceding the reporting financial year (i.e. 2020-21, 2021-22, 2022-23) calculated in accordance with Section 135 of the Companies Act, 2013 is ₹ 5,18,96,40,937/-

(b) Two percent of average net profit of the company as per section 135(5): ₹10,37,92,825

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

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

(e) Total CSR obligation for the financial year (b+c—d): ₹10,37,92,825

6. (a) Amount spent on CSR projects (both Ongoing Projects and other than Ongoing Project): ₹10,37,92,825

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable : NA

(d) Total amount spent for the Financial Year (a+b+c): ₹10,37,92,825

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹)	Amount Unspent (₹)				
	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
54,21,371	98,371,454	29.04.2024	NIL	-	-

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	10,37,92,825
(ii)	Total amount spent for the Financial Year**	10,37,92,825
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

Note: ** Includes an amount of ₹ 98,371,454 earmarked for ongoing projects transferred to Unspent CSR Account in terms of Section 135(6) of the Companies Act, 2013, for the Financial Year 2023-24.

- 7. Details of Unspent CSR amount for the preceding three financial years:** Not Applicable
- 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** NIL
- 9. 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

Sd/-

Sanjay Gupta

Chairman & Managing Director

(DIN: 00233188)

Sd/-

Anil Kumar Bansal

Chairman CSR Committee

(DIN: 06752578)

Place: Noida

Date: May 11, 2024

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) To know the energy utilisation, the Company has installed the meters on each machine at every mills, to record the energy requirement, basis of which company has analyzed through the use of various equipments, the percentage of wastage of electricity by the machines and whether to replace or using them in any other manner.
 - (b) During previous year the Company's subsidiary viz APL Apollo Building Products Private Limited (ABPL) and Apollo Metalex Private limited (AMPL) has made investment of ₹21.5 Crores and ₹1.23 Crores in Bluepin Energy and Sunsure Energy for purchase of 61.5 MW and 3.5 MW solar power respectively. The power generation in ABPL will start from January 1, 2025 and that in AMPL it started from July 1, 2024.
 - (c) Solar energy has now proved to be very beneficial, not only for the environment but also financially. The technology has been improved considerably, turning into a very efficient source of clean energy:
 - Reduce energy loss
 - Reduce electricity bills by decreasing the Energy Rate.
 - Minimum breakdowns
 - Low maintenance cost
 - Diverse purpose
- (ii) The capital investment on energy conservation equipments: The aggregate capital investment by its subsidiaries viz APL Apollo Building Products Private Limited (ABPL) and Apollo Metalex Private limited (AMPL) on energy conservation for purchase of aggregate 65 MW solar power is ₹22.73 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:

Particulars	FY 2023-24
Foreign exchange earnings	385.67
Foreign exchange outgo	97.68

(₹in Crores)

For and on behalf of Board of Directors

Sd/-

Sanjay GuptaChairman and Managing Director
(DIN: 00233188)Place: Noida
Date: May 11, 2024

CORPORATE GOVERNANCE REPORT

1. Company's Governance Philosophy:

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

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

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

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

2.1 Board of Directors:

The Company has a balanced and diverse mix of Executive and Non-Executive Directors and the composition is in conformity with requirements under the Companies Act, 2013 ("the Act") and the Listing Regulations.

As on March 31, 2024, the Board of Directors comprised 11 (Eleven) directors of which 2 (Two) are Executive Directors and 9 (Nine) are Non-executive Directors. Out of 9 (Nine) Non-executive Directors, 6 (Six) are Independent Directors. Details are as given hereunder:

Name of Director	Category	No. of Board Meetings attended during FY 2023-24	Attendance in last AGM held on 9 September, 2023	No. of shares held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorships [§]	Other Memberships ^{**}	Other Chairmanships ^{**}
Shri Sanjay Gupta (DIN: 00233188)	CMD	4	No	4,535	4	-	-
Shri Ashok Kumar Gupta (DIN: 01722395)	NED	4	Yes	-	2	1	-
Shri Vinay Gupta (DIN: 00005149)	NED	4	No	-	4	0	-
©Shri Abhilash Lal (DIN: 03203177)	ID	4	Yes	-	4	5	2
©Shri Anil Kumar Bansal (DIN: 06752578)	ID	4	Yes	11,600	1	1	1
©Ms. Neeru Abrol (DIN: 01279485)	ID	4	Yes	-	4	3	1
©Shri Virendra Singh Jain (DIN: 00253196)	ID	3	Yes	-	-	-	-
Shri Deepak Kumar (DIN: 03056481)	ED	4	Yes	1,22,035	2	-	-

Name of Director	Category	No. of Board Meetings attended during FY 2023-24	Attendance in last AGM held on 9 September, 2023	No. of shares held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorships ⁵	Other Memberships**	Other Chairmanships **
Shri Rahul Gupta (DIN: 07151792)	NED	3	No	-	4	2	-
[^] Mrs. Asha Anil Agarwal (DIN: 09722160)	ID	1	NA	-	3	3	2
[^] Shri H S Upendra Kamath (DIN: 02648119)	ID	1	NA	-	5	3	1
[#] Shri Rajeev Anand (DIN: 02519876)	ID	NA	NA	-	1	1	-
[#] Shri Dinesh Kumar Mittal (DIN: 00040000)	ID	NA	NA	-	7	9	4

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

⁵ excludes Directorships in Private Limited Companies, Foreign Companies, memberships of Managing Committees of various Chambers/bodies /Section 8 Companies. Independent Directorships held by the Directors are in accordance with the Listing Regulations.

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

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

[^] Appointed as Director w.e.f. October 30, 2023

[#] Subsequent to year end, Shri Rajeev Anand & Shri Dinesh Kumar Mittal were appointed as Director w.e.f. May 11, 2024

During the year under review, Shri Ameet Kumar Gupta (DIN: 00002838) resigned from the position of Independent Director of the Company w.e.f. August 5, 2023 due to his increased commitment elsewhere and confirmed that there are no other material reasons.

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

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

Name of Director	Name of the Listed Entities	Category
Shri Ashok K. Gupta	Shalimar Paints Limited	Managing Director
	Apollo Pipes Limited	Non-Executive Director
Shri Anil Kumar Bansal	SG Finserve Limited	Independent Director
Ms. Neeru Abrol	Apollo Pipes Limited	Independent Director
	Ganesha Ecoverse limited	Independent Director
	SMC Global Securities Limited	Independent Director
	SG Mart Limited	Independent Director
Shri Abhilash Lal	Ganesha Ecosphere Limited	Independent Director
	Apollo Pipes Limited	Independent Director
	Ganesha Ecoverse limited	Independent Director
	Kisan Mouldings Limited	Independent Director
Shri Rahul Gupta	SG Finserve Limited	Non-Executive Director
Mrs. Asha Anil Agarwal	SG Finserve Limited	Independent Director
	Kisan Mouldings Limited	Independent Director
	Authum investment & Infrastructure limited	Independent Director
Shri H S Upendra Kamath	SG Finserve Limited	Independent Director
	Kisan Mouldings Limited	Independent Director
Shri Rajeev Anand	DIC India Limited	Independent Director

Name of Director	Name of the Listed Entities	Category
Shri Dinesh Kumar Mittal	Indus Towers Limited	Independent Director
	Max Estates Limited	Independent director
	New Delhi Television Limited	Independent Director
	Max Financial Services Limited	Independent Director

2.3 Date and number of Board Meetings held

Four (4) Board Meetings were held during the financial year 2023-24 i.e., on May 12, 2023, August 5, 2023, October 30, 2023 and January 27, 2024. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days.

3. Independent Directors

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

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

Further, in the opinion of the Board, all the independent possess the requisite qualifications, skills, experience and expertise and hold high standards of integrity and are independent of the management.

A formal letter of appointment to Independent Directors as provided in Act has been issued and the draft of the same is available in Investors section on website of the Company viz. <https://aplapollo.com/wp-content/uploads/2020/06/Terms-and-condition-for-appointment-of-Independent-Director.pdf>.

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on January 27, 2024. Shri Virendra Singh Jain was unanimously elected as Chairman of the meeting and all the Independent

Directors except Shri Ameet Kumar Gupta were present at the said Meeting.

At the meeting held on January 27, 2024, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman after taking into account the views of the Executive Directors and Non-Executive Directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

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

4. Familiarization Programme for Independent Directors

In accordance with the provisions of Regulation 25(7) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended from time to time ("Listing Regulations"), the Company has been conducting various familiarization programmes for Independent Directors. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is <https://aplapollo.com/wp-content/uploads/2020/10/Familiarisation-programme.pdf>

5. Board Skills, Expertise or Competence

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

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

Skill/expertise/competence	Names(s) of directors having the respective skill/ expertise/ competence
Finance	Shri Sanjay Gupta, Ms. Neeru Abrol, Shri V S Jain, Shri Anil Kumar Bansal, Shri Deepak Kumar, Shri H S Upendra Kamath, Mrs. Asha Anil Agarwal and Shri Dinesh Kumar Mittal
Law	Shri Abhilash Lal, Shri V S Jain and Mrs. Asha Anil Agarwal
Sales & Marketing	Shri Sanjay Gupta, Shri Ashok Gupta, Shri Deepak Kumar and Shri Rahul Gupta
Operations	Shri Sanjay Gupta, Shri Vinay Gupta, Shri Ashok Gupta, Shri Rahul Gupta

Skill/expertise/competence	Names(s) of directors having the respective skill/ expertise/ competence
Research	Shri Ashok Gupta and Shri Abhilash Lal
Corporate Governance	Shri Sanjay Gupta , Shri V S Jain, Shri Anil Kumar Bansal, Shri Abhilash Lal, Ms. Neeru Abrol, Shri H S Upendra Kamath, Shri Deepak Kumar, Shri Rajeev Anand and Shri Dinesh Kumar Mittal
Education	Shri Ashok Gupta and Shri Abhilash Lal
Community Service	Shri Ashok Gupta, Shri Vinay Gupta, Ms. Neeru Abrol, and Mrs. Asha Anil Agarwal

6. Performance Evaluation

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

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

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

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

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

7. Committees of the Board

The Company has over the years maintained the highest standards of corporate governance processes and has had the foresight to set up corporate governance practices in line with the requirements of Listing Regulations.

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained hereunder. Each Committee demonstrates the highest level of governance standards and has the requisite expertise to handle issues relevant to its field. These Committees spend considerable time and provide focused

attention to various issues placed before them and the guidance provided by these Committees lend immense value and support, thus enhancing the quality of the decision-making process of the Board. The Board reviews the functioning of these Committees from time to time.

The recommendations of the Committees are submitted to the Board for approval. During the year, all the recommendations of the Committees were accepted by the Board.

The Company had constituted 5 (Five) main committees i.e., Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

8. Audit Committee

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

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

Following are the key roles of the Audit Committee:

- Reviewing with the Management the financial statements and auditors' report before submission to the Board:
- Recommendation to the Board regarding appointment, remuneration and terms of appointment of auditors of the company.
- To review and monitor the auditor's independence and performance, and effectiveness of audit process;

- d. Evaluation of internal financial controls and risk management systems;
- e. Review with the management, the statement of uses / application of funds.
- f. Approval or any subsequent modification of transactions with related parties of the Company.
- g. changes, if any, in accounting policies and practices

- and reasons for the same;
- h. scrutiny of inter-corporate loans and investments;
- i. discussion with internal auditors of any significant findings and follow up there on;

During the year under review, 4 (four) meetings of the Audit Committee of the Board were held.

The composition of the Audit Committee as on March 31, 2024 and the meetings attended by its members are as under:

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

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	May 12, 2023	4
2	August 5, 2023	4
3	October 30, 2023	4
4	January 27, 2024	4

The Committee Meetings were attended by Vice Chairman, Chief Financial Officer, Company Secretary and the representatives of Statutory Auditors.

9.1 Nomination and Remuneration Committee (NRC)

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

besides other terms as referred by the Board of Directors. Pursuant to the terms of reference, the said Committee deals with matter of the appointment / reappointment of Directors and their remuneration etc. and submits its recommendations to the Board for approval.

Following are the key roles of the Nomination and Remuneration Committee:

- a. Identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment.
- b. Formulate the criteria for evaluation of performance of the Independent Directors and the Board of Directors.
- c. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- d. Recommend to the Board on the appointment and the terms & conditions of appointment of Managing Director(s) and the Whole-time Director(s);
- e. devising a policy on diversity of board of directors;

During the year, 3(three) meetings of the Nomination and Remuneration Committee were held.

The composition of the Nomination and Remuneration Committee as on March 31, 2024 and the particulars of attendance of members were as under:

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

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	May 12, 2023	3
2	October 30, 2023	2
3	January 23, 2024	3

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

9.2 Nomination and Remuneration Policy

In terms of the Listing Regulations and the Act, the Company has in place Nomination & Remuneration Policy. The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of directors and other matters as provided under subsection (3) of Section 178 of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Policy also lays down broad guidelines

for evaluation of performance of Board as a whole, Committees of the Board, individual Directors including the chairperson and the Independent Directors. The Policy encourages the appointment of women at senior executive levels and thereby promoting diversity. The Policy is designed to attract, recruit, retain and motivate best available talent.

The Policy is available on the website of the Company at <https://aplapollo.com/wp-content/uploads/2020/06/Nomination-Remuneration-Policy.pdf> During the financial year, no changes were made in the Policy.

9.3 Remuneration to the Directors

Non- Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors attended by them. However, the sitting fees are subject to ceiling/limits as provided under the Act and rules made thereunder or any other enactment for the time being in force. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2023-24 was ₹41.50 Lakh. The details of the remuneration of Directors during the financial year 2023-24 are given below:

S. No	Particulars of Remuneration	Name of Directors							Total Amount (₹ Crore)
1	Independent Directors	Shri Abhilash Lal	Shri Anil Kumar Bansal	Ms. Neeru Abrol	Shri V.S. Jain	Shri Ameet Kumar Gupta	Mrs. Asha Anil Agarwal	Shri H S Upendra Kamath	
	• Fee for attending Board/ Committee Meetings	0.08	0.085	0.09	0.06	0.01	0.015	0.015	0.355
	• Commission/ Others	-	-	-	-	-	-	-	-
	Total (1)	0.08	0.085	0.09	0.06	0.01	0.015	0.015	0.355
2	Other Non – Executive Directors	Shri Vinay Gupta	Shri Rahul Gupta	Shri Ashok Kumar Gupta					
	• Fee for attending Board / Committee Meetings	-	-	0.06					0.06
	• Commission/ Others	-	-	-	-	-	-	-	-
	Total (2)	-	-	0.06	-	-	-	-	0.06
	Total(B)= (1+2)	-	-	-	-	-	-	-	0.415

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

Executive Director:

The terms of remuneration of Chairman and Managing Director is approved by the shareholders at the general body meeting. The details of remuneration paid to the Chairman and Managing Director in the financial year 2023-24 are as under:

(₹ in Crores)

S. No.	Particulars of Remuneration	Shri Sanjay Gupta	Shri Deepak Kumar	Total
1.	Gross salary	4.75	1.13	5.88
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	-	-	-
	(b) Value of perquisites u/s17(2) Income -tax Act,1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Commission	2.45	-	2.45
2.	Stock Option	-	-	-
3.	Others, please specify	-	-	-
	Total (A)	7.20	1.13	8.33

Service contracts, notice period, severance fee

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

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

10. Stakeholders Relationship Committee

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

During the year, one meeting of the Stakeholders Relationship committee was held.

The composition of the Stakeholders Relationship Committee as on March 31, 2024 is as under:

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

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	January 23, 2024	3

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

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

The role of the Stakeholder Relationship Committee are:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, nonreceipt of declared dividends, issue of

new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

A total of Six complaints were received from the shareholders' during the year under review, all of which were redressed to the satisfaction of the respective complainants. As on March 31, 2024, no investor grievance was pending to be resolved.

11. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company under the provisions of Section 135 of the Companies Act,

2013 and Corporate Social Responsibility (CSR) Rules, 2014. (as amended from time to time).

The role and responsibilities of the CSR Committee includes the following:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;
- b. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- c. To monitor this Policy from time to time.
- d. Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

During the year one meeting of the CSR Committee was held. The composition and the attendance of Directors at the meeting is as under:

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

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	May 12, 2023	3

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

During the financial year 2023-24, attendance of Directors/Members of the Committees in Board/Committee meetings includes participation through Video Conferencing or Other Audio Visual Means. The Company Secretary acts as the Secretary of all the Committees of the Board

12. Senior Management

The Company is having following officers in senior management position in the Company (as defined under Regulation 16 of the Listing Obligations):

S. No	Name	Designation	Date of Joining	Brief Profile
1.	Mr. Chetan Khandelwal	Chief Financial Officer	30.10.2023	He is a Senior Level Finance & Strategy Professional (Chartered Accountant) with career spanning over 19 years with multifaceted exposure in large and reputed organizations viz. Jindal Stainless Group & GHCL Limited. Excellent Business Acumen with command over financial responsibilities of a large multi-unit business group(s). Currently he works as the Head – Banking & Group Treasury Operations, Jindal Stainless Group. Also, worked as Chief Financial Officer (CFO) of Jindal Coke Limited, having turnover of +2,000 Crore
2.	Mr. Deepak C S	Company Secretary	25.01.2020	Shri Deepak C S, B.Com, FCS, CAIIB, RP has about 24 years' experience as Company Secretary in both public and private sector and has last worked with The State Trading Corporation of India Limited, a Central Government Company as GM & Company Secretary. In the past he has worked with Tamilnad Mercantile Bank Limited (Scheduled Commercial Bank) and Orient Abrasives Limited.

S. No	Name	Designation	Date of Joining	Brief Profile
3.	Mr. Anubhav Gupta	Chief Strategy Officer	26.10.2019	Anubhav joined the Company in 2019 with a focus on strengthening the strategic capabilities, while also identifying and evaluating innovative opportunities for APL Apollo in the longer run. He also advises on corporate development, communications, and marketing of the APL Apollo Brand, aimed at creating a strong positioning of the Company within the domestic and global markets. He has over 12 years of experience in fundamental research and analysis in the investment world, including leadership positions across investment advisory and investment banking firms.
4.	Ms. Charu Malhotra Bhatia	Chief Brand Officer	30.10.2023	A dynamic Marketing professional with over 23 years of success in conceiving/conceptualizing and implementing marketing ideas that have fueled market presence and driven ROI. She has been instrumental in triggering brand growth with marketing campaigns and has driven brand Equity via apt communication & Strategy, Brand Architecture & Positioning, Media buying, Digital Communication & Public Relations in the past assignments. Has expertise in new brand launches, new market creation, brand transformation and channel management.
5.	Mr. Vaibhaav Sharma	Chief Information Officer	30.10.2023	Has more than 17 years of multi-faceted consulting and leadership experience in the IT & Process enabled Digital Transformations - IT Strategy & Roadmap, ERP (Oracle, SAP), AI, Analytics, RPA, Enterprise Solutions & Process Improvement in consulting and shared services business. Vaibhaav has led digital transformation across Manufacturing, Insurance & Hi-Tech industries with focus on Business Outcomes. He is very passionate about fostering culture of innovation & team building.

During the year 2023-24 following changes done in senior management personnel:

- Appointed Ms. Charu Malhotra Bhatia, as Chief Brand Officer, w.e.f. October 30, 2023.
- Appointed Mr. Vaibhaav Sharma, as Chief Information Officer, w.e.f. October 30, 2023.
- Mr. Anurag Mehrotra resigned from the position of Chief Human Resource Officer (CHRO) w.e.f. closure of business hours of March 30, 2024
- Appointed Mr. Chetan Khandelwal, as Chief Financial Officer (KMP), w.e.f. November 1, 2023 in place of Shri Deepak Goyal. Shri Deepak Goyal continues as a Whole Time Director [Director (Operations) & Group CFO].

13. General Body Meetings

A. Annual General Meeting

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

Financial Year	Venue	Date and Time	Special Resolution Passed
2022-23	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 9, 2023 11:00 A.M	No special resolution was there in the Notice
2021-22	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	September 12, 2022 11:00 A.M	No special resolution was there in the Notice
2020-21	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	July 23, 2021 11:00 A.M	1) To continue the directorship of Shri Virendra Singh Jain (DIN: 00253196) as Non-Executive Independent Director beyond 75 years of age after July 24, 2021 2) To re-appoint Mr. Virendra Singh Jain (DIN: 00253196) as an Independent Director for the second term with effect from January 28, 2022 till September 30, 2024

B. Special Resolution passed through Postal Ballot during Financial Year 2023-24

During the financial year 2023-24 following special resolution was passed by way of Postal ballot:

Description (Nature of Resolution)	% of votes cast in favour of the Resolution	% of votes cast against the Resolution
1. To approve appointment of Shri H S Upendra Kamath, as a Non-Executive, Independent Director of the Company	99.81%	0.19%
2. To approve appointment of Ms. Asha Anil Agarwal, as a Non-Executive, Independent Director of the Company	99.81%	0.19%

In conformity with the applicable provisions of the Act and the Rules made thereunder read with the applicable General Circulars issued by the Ministry of Corporate Affairs, the Company had provided remote e-voting facility to its Members to enable them to cast their vote electronically only instead of submitting the Postal Ballot Form physically. Central Depository Services (India) Limited (CDSL) was engaged to provide remote e-voting facility to its Members to enable them to cast their vote electronically. Shri Jatin Gupta, Company Secretary in Practice, was appointed as the Scrutinizer, for conducting the Postal Ballot through remote e-voting process in a fair and transparent manner. After receiving the Scrutinizer's Report, it was announced that aforesaid Special Resolution had been passed with requisite majority on January 26, 2024.

C. Special Resolution proposed to be conducted through Postal Ballot

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

14. Disclosures

a) Related Party Disclosure:

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

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

Date of Notice: 25.12.2023

Date of passing resolution: 26.01.2024

Voting Period: 28.12.2023 to 26.01.2024

The Company has also formulated a policy on dealing with Materiality of Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is <https://aplapollo.com/wp-content/uploads/2020/06/Related-Party-Transaction-POLICY.pdf>.

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

b) Management discussion and analysis report

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

c) Business responsibility and sustainability report

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

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

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

- The Company's financial statements are with unmodified audit opinion. A declaration to this effect, duly signed by the Chief Financial Officer has also been furnished. There are no audit qualifications on the financial year 2023-24
- The internal auditors submit their report directly to the Audit Committee of the Board.

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

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

f) Prevention of Sexual Harassment of Women at Workplace:

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

Particular	Remark
Number of Complaints filed during the financial year	0
Number of complaints disposed of during the financial year	NA
Number of complaints pending as on end of the financial year	0

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

This Policy is available on the website of the Company and the weblink for the same is https://aplapollo.com/images/others/Risk_Management_Policy.pdf

Dates of the meetings and the number of the Members attended are:

S. No	Dates of meetings	No. of Members attended
1	July 10, 2023	5
2	December 27, 2023	5

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

The role of Risk Management Committee includes:

- To formulate a detailed risk management policy
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

During the year two meeting of the Risk Management Committee were held on July 10, 2023 and December 27, 2023. The composition and the attendance of Directors at the meetings are as under:-

h) Vigil Mechanism / Whistle Blower policy:

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

This Policy is available on the website of the Company and the weblink for the same is https://aplapollo.com/images/others/Whistle_Blower_Policy_11052024.pdf

i) Subsidiary Companies:

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

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

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

S.No.	Name Of Material Subsidiary	Date and Place of Incorporation	Name of Statutory Auditor appointed in Material Subsidiary	Date of Appointment of Statutory Auditor
1.	Apollo Metalex Private Limited	20 th February 2006, New Delhi	Deloitte Haskins & Sells LLP	25.09.2020
2.	APL Apollo Building Products Private Limited	19 th December 2019, New Delhi	Deloitte Haskins & Sells LLP	30.09.2023

The Company has formulated a policy for determining material subsidiary as required under Regulation 16 read with its explanation of the Listing Regulations and the same is disclosed on the Company's Website. The web link is <https://aplapollo.com/wp-content/uploads/2020/10/Policy-for-determining-Material-Subsidiary.pdf>

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

There were no shares in the demat suspense account or unclaimed suspense account during the financial year 2023-24.

k) Disclosure on loans and advances:

The Company has not provided any loans and advances in the nature of loans to firms/ companies in which the directors are interested during the financial year 2023-24.

15. List of all credit ratings obtained by the Company along with any revisions thereto during the financial year ended March 31, 2024:

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

16. Means of communication:

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

Quarterly/ half yearly/ nine monthly and annual financial results are normally published in Economic Times, Financial express, Nav Bharat Times and Jansatta etc. and are promptly furnished to the Stock Exchanges. The results are also displayed on the website of the Company <https://aplapollo.com/financial>.

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

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

ii. Press release:

To provide information to investors, quarterly production figures and other press releases are sent

to the stock exchanges as well as are displayed on the Company's website i.e. <https://aplapollo.com/press-releases>. before it is release to the media.

iii. Presentations to analysts:

Four presentations were made to analysts/investors during the financial year 2023-24. The same are available on the Company's website i.e. <https://aplapollo.com/presentations>

The presentations broadly covered operational and financial performance of the Company and industry outlook.

17. General Shareholders' Information:

i. Annual general meeting

Date and time: 26th day of September, 2024 at 11.00 A.M.

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

ii. Dividend Payment:

The final dividend of ₹5.50 per equity share for financial year 2023-24, has been recommended by the Board of Directors, subject to approval of shareholders. The same shall be paid after September 26, 2024 but within a period of 30 days from the date of declaration.

iii. Listing of shares:

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

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

The listing fees of both the stock exchanges have been paid by the Company for the financial year 2023-24.

Further, none of the securities of the Company are suspended for trading as on March 31, 2024.

ISIN Code for the Company's Equity Shares: INE702C01027

iv. Distribution schedule as at March 31, 2024

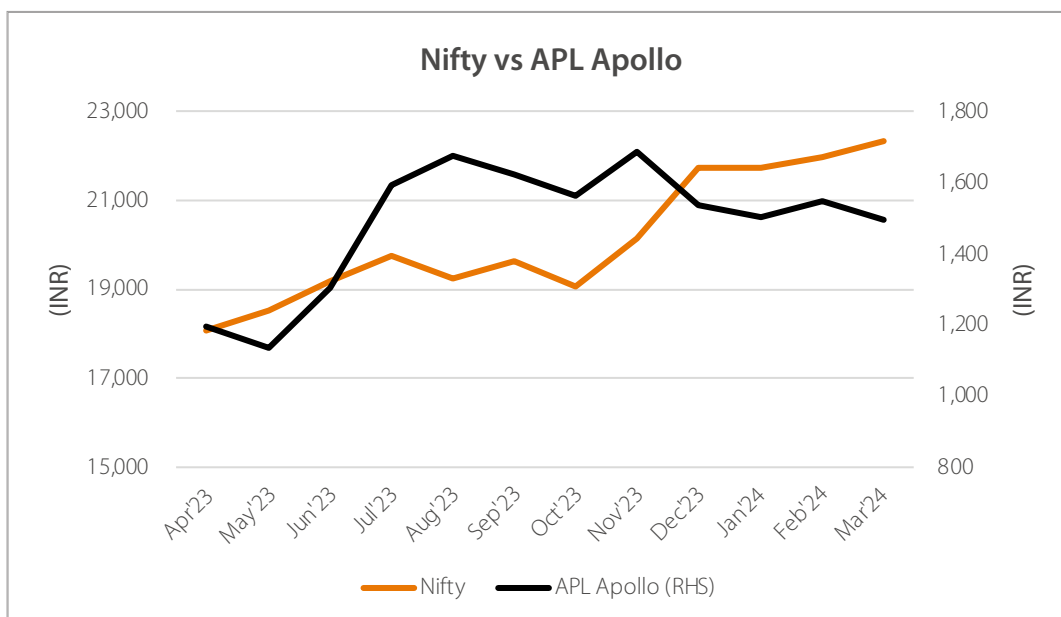
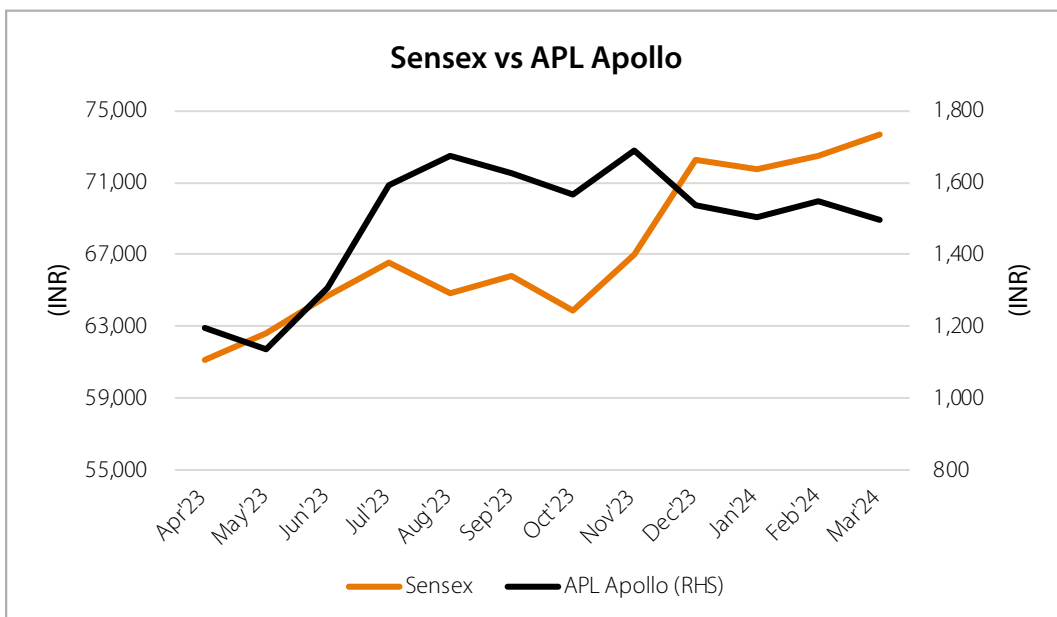
Nos. of equity shares held	Shareholders		Shares held	
	Number	%	Number	%
Upto 100	1,65,596	77.93	38,14,843	1.3746
101 – 500	36,019	16.95	82,32,438	2.96
501 - 1000	5,305	2.49	38,16,976	1.37
1001 - 2000	2,487	1.17	35,80,744	1.29
2001 - 5000	1,561	0.73	49,55,611	1.78
5001 - 10000	566	0.26	40,61,810	1.46
10001 - 20000	331	0.15	47,11,333	1.69
20001 - 30000	121	0.05	30,19,572	1.08
30001 - 40000	89	0.04	31,42,387	1.13
40001 - 50000	53	0.02	23,86,755	0.86
50001 - 100000	141	0.06	1,03,77,544	3.73
100001 - 500000	158	0.07	3,53,73,244	12.74
Above 500000	63	0.02	19,00,51,307	68.48
Total	2,12,490	100	27,75,24,564	100

v. Shareholding pattern as on March 31, 2024

Category	No. of shares held	Percentage of shareholding
Promoters	8,17,08,479	29.44
Mutual Funds	2,43,15,294	8.76
Alternate Investment Funds	49,84,304	1.80
Bank	2,020	0.00
Insurance Companies	92,88,648	3.35
Provident Funds / Pension Funds	4,20,959	0.15
Foreign Portfolio Investors	8,51,68,206	30.69
Individuals	3,50,38,408	12.62
IEPF	51,000	0.02
Non-Resident Indian (NRI)	1,00,99,747	3.64
Foreign Companies	1,83,29,179	6.6
Bodies Corporate	68,70,369	2.48
Clearing Members	1,383	0.00
HUF	12,02,977	0.43
Trusts	43,591	0.02
Total	27,75,24,564	100

vi. Market price data

Month and Year	Stock market price on BSE (In ₹ Per share)			Sensex		Stock market price on NSE (In ₹ Per share)		
	High	Low	Traded quantity	High	Low	High	Low	Traded quantity
April, 2023	1,251.10	1,162.00	2,21,999	61,209.46	58,793.08	1,251.75	1,162.00	57,09,501
May, 2023	1,224.95	1,046.55	5,42,835	63,036.12	61,002.17	1,220.00	1,047.00	1,18,74,212
June, 2023	1,398.55	1,119.50	7,03,944	64,768.58	62,359.14	1,398.00	1,120.10	1,40,52,900
July, 2023	1,600.00	1,303.50	4,56,313	67,619.17	64,836.16	1,600.00	1,301.00	1,39,15,135
August, 2023	1,711.50	1,443.75	39,52,093	66,658.12	64,723.63	1,710.00	1,444.00	2,09,90,528
September, 2023	1,806.20	1,519.25	5,78,016	67,927.23	64,818.37	1,800.00	1,519.10	1,50,70,847
October, 2023	1,789.00	1,555.00	4,68,442	66,592.16	63,092.98	1,788.35	1,554.00	1,36,75,636
November, 2023	1,773.00	1,505.15	15,48,699	67,069.89	63,550.46	1,774.00	1,506.15	4,43,49,440
December, 2023	1,744.45	1,520.80	4,91,693	72,484.34	67,149.07	1,745.00	1,520.15	1,46,07,684
January, 2024	1,589.00	1,434.00	5,67,680	73,427.59	70,001.6	1,589.00	1,432.90	2,06,86,402
February, 2024	1,550.95	1,306.00	7,28,089	73,413.93	70,809.84	1,550.00	1,305.00	1,74,54,744
March, 2024	1,659.00	1,440.05	15,15,405	74,245.17	71,674.42	1,660.00	1,440.00	1,51,96,270



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

vii. Share transfer system

The Company has a Board-level Stakeholders’ Relationship Committee to redress investors’ complaints and the status on complaints and share transfers is regularly reported to the Board.

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. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.

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

viii. Unclaimed Dividends:

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

The status of remaining unclaimed dividend is given hereunder:

Financial year	Dividend Per Share (₹)	Unclaimed Dividend amount as on March 31, 2024	Date of Declaration	Due date for transfer to IEPF
2016-2017 (Final Dividend)	12.00	4,07,508	September 29, 2017	November 4, 2024
2017-2018 (Final Dividend)	14.00	15,06,736	September 29, 2018	November 4, 2025
2018-2019 (Final Dividend)	14.00	12,58,866	September 28, 2019	November 3, 2026
2021-2022 (Final Dividend)	3.50	12,27,018	September 12, 2022	October 19, 2029
2022-2023 (Final Dividend)	5.00	30,90,663	September 9, 2023	October 16, 2030

ix. Dematerialization of shares

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

As on March 31, 2024 99.99% of the Company's total Equity Shares representing 27,75,20,647 shares were held in dematerialized form and 3,917 shares representing 0.00% of paid-up share capital were held in physical form.

x. Outstanding ADRs/ GDRs

There were no outstanding GDRs/ ADRs, as on March 31, 2024.

xi. Warrants and other convertible instruments:

There were no warrants outstanding for conversion as on March 31, 2024.

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

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

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

xiv. The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations as well as disclosure requirements as enumerated in Schedule V of the Listing Regulations.

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

xvi. During the financial year ended March 31, 2024, the Company and its four wholly owned subsidiaries namely Apollo Metalex Private Limited, Blue Ocean Projects Private Limited, APL Apollo Mart Limited and Apollo Building Products Private Limited have paid total fees for various services including statutory audit, amounting to ₹1.89 Crore, including taxes, to the Statutory Auditor, namely M/s. Deloitte Haskins & Sells LLP, Chartered Accountants. Further, no fees other than above was paid by any of the subsidiaries or by the Company to any entity in the network firm/ network entity of which the Statutory Auditor is a part.

xvii. Investors Correspondence can be made on Registered Office of the Company as given under:	APL Apollo Tubes Limited CIN: L74899DL1986PLC023443 37, Hargobind Enclave, Vikas Marg, Delhi – 110092. Phone: 011- 22373437 Fax 011-22373537 Mail: investors@aplapollo.com	
xviii. Registrar and Share Transfer Agent:	M/s. Abhipra Capital Limited GF- Abhipra Complex, Dilkhush Industrial Area, A-387, G.T. Karnal Road Azadpur, Delhi-110033 Phone: 011-42390725 Fax: 011-2721 5530 Mail: rta@abhipra.com	
xix. Plant Locations:	<p>Unit – 1 A-19 and A-20, Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205</p> <p>Unit-3 Plot No. M-1, Additional MIDC Area, Murbad, Thane Maharashtra – 421401</p> <p>Unit-5 Survey No. 443,444,538,539 Wadiaram village, Chegunta (Mandal), Medak district, Telengana- 502255</p> <p>Unit-7: No. 9 to 11, KIADB Industrial Area Attibele, Bengaluru, Karnataka – 562107</p>	<p>Unit –2 No. 332-338, Alur Village, Perandapalli, Hosur, Tamil Nadu-635109.</p> <p>Unit-4 Village Bendri, Near Urla Industrial Area, Raipur, Chhattisgarh- 492001</p> <p>Unit-6: Plot No. 53, Part-1,4th Phase, Industrial Area, Sy. No. 28-33, Kurandhalli Village, Kasaba Hobli, Malur, Taluk, Distt. Kolar-563130, Karnataka.</p> <p>Unit-8: Village Bisenoli, Khasra No. 527 To 530 & 569, Dujana Road, Tehsil Dadri, Gautam Budh Nagar, Uttar Pradesh -203207</p>
xx. Subsidiaries' Plant Locations:	<p>Apollo Metalex Private Limited CIN: U27104DL2006PTC146579 Unit-I: A-25 Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205 Unit-I: Plot No. 22 Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205</p> <p>APL APOLLO TUBES COMPANY L.L.C. Sector-710, Block 22 Plot No. 9 to 26 Industrial Area, Umm Al Quwain, UMM DERA, United Arab Emirates.</p>	<p>APL Apollo Building Products Private Limited Village- Rigni, Kesda, Tahsil- Simga, Distt.- Baloda Bazar- Bhatapara, Chhattisgarh-493113</p>
xxi. Stock Exchanges:	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra - 400 001 Phone: +91 22 2272 1233; Fax: +91 22 2272 1919 Website: www.bseindia.com	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra- Kurla Complex, Bandra (E), Mumbai, Maharashtra - 400 051 Phone: +91 22 2659 8100; Fax: +91 22 2659 8120 Website: www.nseindia.com
xxii. Depositories:	National Securities Depository Limited Trade World, A Wing, 4 th & 5 th Floors, Kamala Mills Compound, Lower Parel, Mumbai, Maharashtra - 400 013 Phone: +91 22 2499 4200; Fax: +91 22 2497 6351 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers, 17 th Floor, Dalal Street, Mumbai, Maharashtra - 400 001 Phone: +91 22 2272 3333; Toll free: 1800-200-5533 Fax: +91 22 2272 3199 E-mail: helpdesk@cdslindia.com Website: www.cdslindia.com

xxiii. Financial Year

The Company's current financial year comprises of a 12 months period from April 1 to March 31.

18. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all Board members and senior management personnel which is available on the website of the Company i.e. <https://aplapollo.com/wp-content/uploads/2020/06/Code-of-conduct-for-Members-of-the-Board-and-Senior-Management.pdf>. The Company has received confirmations from all the Board members and senior management personnel regarding compliance of the Code during the year under review.

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

19. CEO and CFO Certification:

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

20. Compliance certificate of the Practising Company Secretary:

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

21. Code for prevention of insider trading:

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

22. Disclosure in accordance with Regulation 30A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

No such agreements as specified under clause 5A to para A of part A of schedule II, are required to be disclosed in accordance with Regulation 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the FY 2023-2024.

23. Discretionary Disclosures:

The status of compliance with non-mandatory recommendations of the Listing Regulations is as follows:

1. Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
2. Audit Qualifications: The Company's financial statements for the year 2023-24 do not contain any audit qualification.
3. Reporting of Internal Auditor: The Internal Auditors of the Company directly report to Chairperson of the Audit Committee.

For and on behalf of Board of Directors

Sd/-

Sanjay Gupta

Chairman and Managing Director

(DIN: 00233188)

Place: Noida

Date: May 11, 2024

Annexure F1'

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

APL Apollo Tubes Limited

37, Hargobind Enclave, Vikas Marg, Delhi- 110092

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **APL Apollo Tubes Limited** having CIN: L74899DL1986PLC023443 and having registered office at **37, Hargobind Enclave, Vikas Marg, Delhi- 110092** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10 (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Directors	DIN (Director Identification Number)	Date of appointment in company
1.	Mr. Sanjay Gupta	00233188	02/09/2003
2.	Mr. Vinay Gupta	00005149	16/05/2008
3.	Mr. Ashok Kumar Gupta	01722395	19/10/2011
4.	Mr. Abhilash Lal	03203177	12/02/2014
5.	Mr. Anil Kumar Bansal	06752578	04/08/2014
6.	Ms. Neeru Abrol	01279485	24/03/2015
7.	Mr. Deepak Kumar	03056481	12/05/2023
8.	Mr. Virendra Singh Jain	00253196	28/01/2017
9.	Mr. Rahul Gupta	07151792	06/08/2021
10.	Mr. Hosdurg Sundar Kamath Upendra Kamath	02648119	30/10/2023
11.	Ms. Asha Anil Agarwal	09722160	30/10/2023

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

For **Anjali Yadav & Associates**
Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

UDIN: F006628F000351016

PR Unique Code: S2006DE715800

PR Certificate No.: 629/2019

Place: New Delhi

Date: May 11, 2024

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

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and Senior Management Personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2023 as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Place : Noida
Date : May 11, 2024

For APL Apollo Tubes Limited
Sd/-
Sanjay Gupta
Chairman and Managing Director

'Annexure F3'

Compliance Certificate on Corporate Governance

To

The members of APL Apollo Tubes Limited

We have examined the compliance of conditions of Corporate Governance by the **APL Apollo Tubes Limited** ("the Company") for the year ended March 31, 2024 as stipulated in regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) ("SEBI Listing Regulations") pursuant to the Listing Agreement of the Company with the Stock Exchanges.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

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

Restriction on use

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

For **Anjali Yadav & Associates**
Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

UDIN: F006628F000351005

PR Unique Code: S2006DE715800

PR Certificate No.: 629/2019'

Place: New Delhi

Date: May 11, 2024

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Apollo Metalex Private Limited
37, Hargobind Enclave,
Vikas Marg New Delhi – 110092

We, Anjali Yadav, Proprietor of Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **APOLLO METALEX PRIVATE LIMITED (CIN: U27104DL2006PTC146579)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 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 and the Rules made thereunder (as amended from time to time) **(Not applicable to the Company during the audit period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (as amended from time to time) **(Not applicable to the Company during the audit period)**
- (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) **(Not applicable to the Company during the audit period)**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) **(Not applicable to the Company during the audit period)**
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time) **(Not applicable to the Company during the audit period)**
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) **(Not applicable to the Company during the audit period)**
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) **(Not applicable to the Company during the audit period)**
 - e) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time) **(Not applicable to the Company during the audit period)**
 - f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) **(Not applicable to the Company during the audit period)**
 - g) 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) **(Not applicable to the Company during the audit period)**

- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time) **(Not applicable to the Company during the audit period)**
- i) 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)**
- j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time) **(Not applicable to the Company during the audit period)**

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

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

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

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

We further report that:

The Company was required to spend at least 2% of its Average Net profit of the three immediately preceding financial years in every financial year in pursuance of its Corporate Social Responsibility obligation. The Company was required to spend ₹329 Lakhs in pursuance of its Corporate Social Responsibility obligation during the period under review.

As per information and explanation provided by the Company, the Company has spent an amount of ₹28.62 Lakhs on other than ongoing projects during the period under review. Further, the remaining CSR obligation amounting to ₹300.42 Lakhs has

been transferred to "Apollo Metalex Pvt Ltd CSR Account" in respect of ongoing projects on 29th April, 2024.

We further report that:

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

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried out with majority as recorded in the Minutes of the Board of Directors or Committee of the Board, as the case may be.

We further report that:

1. During the audit period, Mr. Romi Sehgal (DIN: 03320454) ceased to be director with effect from 11th May, 2023.
2. During the audit period, Mr. Deepak Kumar (DIN: 03056481) was appointed as an additional director with effect from 12th May, 2023 and was regularized as director with effect from 30th September, 2023.
3. During the audit period, Mr. Sunil Mittal was appointed as the Chief Financial Officer with effect from 01st February, 2024.

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

For **Anjali Yadav & Associates**
Company Secretaries

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

UDIN: F006628F000351104

PR Unique Code: S2006DE715800

PR Certificate No.: 629/2019

Place: New Delhi
Date: May 11, 2024

Annexure A

To,
The Members,
Apollo Metalex Private Limited
37, Hargobind Enclave,
Vikas Marg New Delhi – 110092

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

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

For **Anjali Yadav & Associates**
Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

UDIN: F006628F000351104

PR Unique Code: S2006DE715800

PR Certificate No.: 629/2019

Place: New Delhi
Date: May 11, 2024

Annexure F5'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
APL Apollo Building Products Private Limited,
37, Hargobind Enclave, Vikas Marg, Delhi -110090

We, Anjali Yadav, Proprietor of M/s. Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **APL Apollo Building Products Private Limited (CIN:U27200DL2019PTC358966)** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company had, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under (as amended from time to time)
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under (as amended from time to time)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (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):-**Not applicable to the Company during the audit period.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;(as amended):-
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(as amended from time to time): - **Not applicable to the Company during the audit period.**
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time): -**Not applicable to the Company during the period of audit.**
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time):- **Not applicable to the Company during the period of audit.**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time); **Not applicable to the Company during the audit period.**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time);

- (g) 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); **Not applicable to the Company during the audit period**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time); **Not applicable to the Company during the audit period.**
- (i) 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); **Not applicable to the Company during the audit period.**
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time); (Not applicable to the Company during the audit period); **Not applicable to the Company during the audit period.**

(vi) We, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance applicable to the company.

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

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

During the period under review, the Company had complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the following observations.

There was an unspent liability of ₹3,00,000/- towards the Corporate Social Responsibility activities; which shall be transferred to the prescribed fund as per the provisions of Section 135(5) of the Act as confirmed by the Management of the Company.

We, further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive and Executive 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 the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We, further report that:

1. During the year under review, in-principle approval dated 13/04/2023 was granted by BSE Limited to the Company and Information Memorandum was issued on 17/04/2023 in order to avail an amount ₹200 Crore (Rupees Two Hundred Crores only) from ICICI Prudential Ultra Short Term Fund against issue of for 20,000 listed, rated, senior, Unsecured, transferable, redeemable, taxable non-convertible debentures (the "Unsecured NCDs") having face value of ₹1 Lakh each, on a private placement basis consequent to which new securities issued by the "Company" are listed and admitted to dealings on the BSE Debt segment with effect from 25/04/2023.
2. During the year under review, pursuant to the provisions of the Companies Act, 2013, the Paid-up Share Capital of the Company had been increased by way of a Rights Issue from ₹6,00,00,00,000/- to ₹8,00,00,00,000 Paid-up Share Capital as detailed hereunder:

S.No.	Date of Board Meeting	Name of Allottee	No. of Equity Shares	Total nominal amount	Paid up Share Capital after Allotment
1.	09/03/2024	APL Apollo Tubes Limited	20,00,00,000	₹2,00,00,00,000	₹8,00,00,00,000

3. During the year under review, following changes took in respect to the composition of Board of Directors of the Company and Key Managerial Personnel of the Company:-

Details of appointment of KMP's/Board of Directors during the financial year

S. No.	Name of the Director	DIN	Designation	Date of Appointment
1.	Mr. Deepak Kumar	03056481	Additional Director	12/05/2023
2.	Mr. Amresh Kumar Mishra	NA	Chief Financial Officer	12/05/2023
3.	Mr. Rohan Gupta	08598622	Additional Director	05/08/2023
4.	Mr. Rohan Gupta	08598622	Whole Time Director	05/08/2023

Details of Change in Designation of KMP's/Board of Directors during the financial year

S. No.	Name of the Director	DIN	Nature of Change	Date of Change of Designation
1.	Mr. Deepak Kumar	03056481	Regularization- Additional to Director	29/07/2023
2.	Mr. Vinay Gupta	00005149	Whole time Director to Non-Executive Director	05//08/2023

Details of cessation/resignations in Board/KMP's during the financial year

S. No.	Name of the Director	DIN	Designation	Date of Resignation
1.	Mr. Deepak Kumar	03056481	Chief Financial Officer	11/05/2023
2.	Ms. Romi Sehgal	03320454	Non-Executive Director	10/06/2023

4. During the year under review, M/s Deloitte Haskins and Sells LLP has been appointed as the Statutory Auditor of the Company for the Financial Year 2023-24 to fill up the casual vacancy caused by the resignation of Statutory Auditor; M/s VAPS & Company and consequently in the Annual General Meeting held on 30/09/2023 M/s Deloitte Haskins and Sells LLP has been appointed further for the term of five years with effect from 01/04/2023 to 31/03/2028.
5. During the year under review, the Company got its Article of Association altered in Compliance with SEBI (Issue And Listing Of Non-Convertible Securities) Regulations, 2021 in the Extra Ordinary General Meeting of Members held on 29th July, 2023

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

For **Anjali Yadav & Associates**
Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

UDIN: F006628F000351093

PR Unique Code: S2006DE715800

PR Certificate No.: 629/2019

Place: New Delhi

Date: May 11, 2024

Annexure A

To,
The Members,
APL Apollo Building Products Private Limited,
37, Hargobind Enclave, Vikas Marg, Delhi -110090

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

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

For **Anjali Yadav & Associates**
Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

UDIN: F006628F000351093

PR Unique Code: S2006DE715800

PR Certificate No.: 629/2019

Place: New Delhi

Date: May 11, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

SECTION A General disclosures

SECTION B Management and process disclosures

SECTION C Principle-wise performance disclosure

- Principle 1** Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
- Principle 2** Businesses should provide goods and services in a manner that is sustainable and safe
- Principle 3** Businesses should respect and promote the well-being of all employees, including those in their value chains
- Principle 4** Businesses should respect the interests of and be responsive to all its stakeholders
- Principle 5** Businesses should respect and promote human rights
- Principle 6** Businesses should respect and make efforts to protect and restore the environment
- Principle 7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- Principle 8** Businesses should promote inclusive growth and equitable development
- Principle 9** Businesses should engage with and provide value to their consumers in a responsible manner

Section A: General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company	L74899DL1986PLC023443
2.	Name of the Company	APL Apollo Tubes Limited
3.	Year of Incorporation	1986
4.	Registered office address	37, Hargobind Enclave, Vikas Marg, Delhi 110092
5.	Corporate office address	SG Centre, 37C, Block A, Sector 132, Noida, Uttar Pradesh - 201304
6.	E-mail	comsec@aplapollo.com

7.	Telephone	011-44457164
8.	Website	https://aplapollo.com/
9.	Financial year for which reporting is being done	FY2023-24
10.	Name of the Stock Exchange(s) where shares are listed	NSE & BSE
11.	Paid-up Capital	₹55,50,49,128
12.	Name and contact details (telephone, email address) of the person for BRSR Reporting	Deepak C S Company Secretary deepakcs@aplapollo.com 0120-6918000
13.	Reporting boundary	Consolidated basis
14.	Name of assurance provider	Sustainability Actions (P) Ltd.
15.	Type of assurance obtained	Reasonable assurance on BRSR Core disclosures

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main WActivity	Description of Business Activity	% Of Turnover of the entity
1.	Steel Tube Manufacturer	Manufacturing & selling of structural steel tubes	100%

17. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Services	NIC Code	% Of total turnover contributed
1.	MS Tubes	27152	66%
2.	GI Tubes	27152	5%
3.	GP Tubes	27152	3%
4.	Pre-painted Alu Zinc Sheets	27152	7%
5.	Pre-painted Galvanized Sheets	27152	19%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

S. No.	Location	Number of plants	Number of offices	Total
1.	National	10	29	39
2.	International	1	0	1

19. Markets served by the entity

a. Number of locations

S. No.	Number of Locations served	Number
1.	National (Number of states)	All States
2.	International (Number of countries)	30

b. What is the contribution of exports as a percentage of the total turnover of the entity?

6%

c. A brief on types of customers

APL Apollo is proud of its unmatched customer base, backed by a vast network of over 800 distributors. With a reach extending to 200,000 retailers and fabricators, we are recognized as the preferred choice for structural tube solutions in India. Operating in over 2,000 towns and cities, with 11 strategically located production facilities, we ensure quick response times and on-time delivery. Additionally, with 29 sales offices across India and serving 30 countries globally, our extensive reach establishes APL Apollo as the foremost provider, offering customers unparalleled convenience and reliability.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	1,175	1,152	98%	23	2%
2.	Other than permanent (E)	0	0	0	0	0
3.	Total employees (D+E)	1,175	1,152	98%	23	2%
Workers						
4.	Permanent (F)	1,620	1,615	99.7%	5	0.3%
5.	Other than permanent (G)	2,276	2,260	99.3%	16	0.7%
6.	Total workers (F+G)	3,896	3,875	99.5%	21	0.5%

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than permanent (E)	0	0	0	0	0
3.	Total Differently abled employees (D+E)	0	0	0	0	0
Differently abled Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total Differently abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	No. (A)	No. (B)	% (B/A)
Board of Directors	11	2	18%
Key Management Personnel	2	0	0%

22. Turnover rate for permanent employees and workers

Category	FY 2024			FY 2023			FY 2022		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	20.57%	8.7%	20.34%	10.71%	0%	10.52%	4.4%	0%	4.4%
Permanent workers	13.13%	20%	13.15%	8.28%	NA	8.28%	4.5%	NA	4.5%

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Is it a holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Apollo Metalex Private Limited	Subsidiary	100	yes
2	APL Apollo Building Products Private Limited	Subsidiary	100	yes
3	Blue Ocean Projects Private Limited	Subsidiary	100	yes
4	APL Apollo Mart Limited	Subsidiary	100	yes
5	APL Apollo Tubes Company LLC	Subsidiary	100	Not Applicable

VI. CSR details

24. I. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

II. If yes, Turnover – ₹13,859 Crore

III. Net worth – ₹2,890 Crore

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	APL Apollo has a Whistleblower policy in place which lays down the procedure in accordance with which all the grievances are addressed. Link to our policy: https://aplapollo.com/wp-content/uploads/2020/06/Whistle-blower-Policy-25012022.pdf	0	0	0	0	0	0
Investors (Other than Shareholders)		0	0	0	0	0	0
Shareholders		0	0	0	0	0	0
Employees and workers		0	0	0	0	0	0
Customers		45	0	All were resolved	54	0	All were resolved
Value Chain Partners		0	0	0	0	0	0
Other (please specify)		0	0	0	0	0	0

26. Overview of the entity’s material responsible business conduct issues

Material concerns refer to those that directly or indirectly affect a company's operations, footprint, and its economic, environmental, and social value. APL Apollo recognizes that sustainable development involves not only addressing material challenges related to corporate governance, operations, and strategy, but also identifying and prioritizing its most important challenges based on stakeholder concerns. To understand stakeholders' perspectives, we first identified the relevant ESG topics for our industry by evaluating various standards and frameworks. Secondly, we conducted thorough stakeholder engagements using questionnaires and collected responses from various stakeholder groups. The issues identified are highly relevant to our success and are addressed in our stakeholder communications, internal strategic priorities, and corporate responsibility approach. During the reporting period, the list of significant topics underwent revalidation through internal stakeholder consultations. The insights gathered from these consultations were then assessed based on whether the material topic presents a risk or opportunity for the company, along with its associated financial implications.

S. no	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Opportunity	By optimizing energy usage and investing in renewable energy sources, APL can reduce operational costs and improve efficiency. Implementing energy-efficient technologies and processes not only reduces carbon footprint but also aligns with evolving consumer preferences for sustainable products. Additionally, it can enhance APL Apollo’s brand image and attract environmentally conscious investors and customers. By the year 2025, APL Apollo aims to ensure that all its plants have access to renewable energy. Currently, 72% of the plants already have this access.	-	Positive
2	Water & Effluent Management	Risk	Inadequate water management practices could result in increased operational costs, regulatory fines for non-compliance with water quality standards, and reputational damage due to environmental impacts such as pollution or water resource depletion. Additionally, improper effluent management poses risks of contaminating local water sources, leading to legal liabilities and community backlash.	Optimize water use, treat effluents, and implement water recycling/reuse systems. APL Apollo has taken a target to equip all its plant with Zero Liquid Discharge (ZLD) facilities by 2025. So far, 45% of the plants are equipped with ZLD.	Negative

S. no	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Emissions Management	Risk & Opportunity	<p><i>Risk</i></p> <p>Failure to control emissions can lead to regulatory fines and penalties, causing financial losses and reputational damage. Additionally increased stakeholder scrutiny, from customers, investors, and regulatory bodies, heightens the risk, potentially resulting in legal action against non-compliant companies.</p> <p><i>Opportunity</i></p> <p>By implementing emission reduction measures and adopting cleaner technologies, APL can enhance its environmental performance and reputation as a sustainable industry leader, this will in turn increase its access to both domestic and international markets.</p>	<p>Monitor emissions and comply with emission standards.</p> <p>Additionally, APL Apollo has adopted a net-zero emissions target for 2050, aligning with the Science Based Targets Initiative.</p>	Positive and Negative
4	Waste Management	Risk	<p>Improper disposal of waste materials can lead to soil and water contamination, causing harm to ecosystems and local communities. Moreover, inefficient waste management may result in increased operational costs due to disposal fees and potential legal liabilities.</p>	<p>Reduce, reuse, and recycle waste; implement proper disposal methods.</p> <p>At APL Apollo, majority of the waste are sold as scrap and the remainder is repurposed within the business operations. Additionally, any hazardous waste produced within the plant's vicinity is disposed via authorized vendors.</p>	Negative
5	Environmental Compliance	Risk	<p>Non-compliance with environmental regulations can result in substantial financial penalties, legal liabilities, and reputational damage.</p>	<p>Stay updated with regulations, conduct regular compliance audits, and invest in training and awareness programs.</p>	Negative



S. no	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Health & Safety	Risk	<ol style="list-style-type: none"> 1. Workplace Accidents and Injuries: Inadequate health and safety measures can result in workplace accidents, injuries, and fatalities, leading to increased insurance costs, compensation claims, and loss of productivity. 2. Reputational Damage: Poor health and safety practices can damage the company's reputation, leading to loss of customer trust, stakeholder confidence, and increase the company's inability to attract and retain talent. 	<ol style="list-style-type: none"> 1. Risk Assessment: Identify hazards, assess risks, and implement controls to mitigate them. 2. Training and Awareness: Provide health and safety training to employees and raise awareness of potential risks. 	Negative
7	Human Rights and Diversity & Equal Opportunity	Risk	<ol style="list-style-type: none"> 1. Legal and Regulatory Compliance: Failure to uphold human rights, diversity, and equal opportunity principles can result in legal action, fines, and reputational damage. 2. Reputation Damage: Violations of human rights or lack of diversity and equal opportunity can lead to negative publicity, harming the company's reputation and brand image. 3. Employee Relations: Discrimination or lack of diversity and equal opportunity can lead to employee dissatisfaction, low morale, and higher turnover rates. 	<ol style="list-style-type: none"> 1. Develop and implement policies that promote human rights, diversity, and equal opportunity in the workplace. 2. Raise awareness about the importance of human rights and their impact on the organization. 3. Implement diversity recruitment strategies to attract a diverse pool of candidates. 4. Implement monitoring mechanisms to track progress on human rights, diversity, and equal opportunity goals. Additionally, by becoming a UNGC signatory, APL Apollo has strengthened its commitment to upholding human rights. 	Negative

S. no	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Labour Relation	Risk	<ol style="list-style-type: none"> 1. Work Stoppage: Labour disputes, strikes, or other forms of industrial action can disrupt operations, leading to financial losses and damage to reputation. 2. Legal and Regulatory Compliance: Failure to comply with labour laws and regulations can result in fines, penalties, and legal action. Adverse labour relations can result in legal costs associated with resolving disputes. 3. Employee Turnover: Poor labour relations can contribute to higher turnover rates, leading to recruitment and training costs and loss of institutional knowledge. Poor relations with employees can lead to decreased motivation, absenteeism, and reduced productivity. 	<ol style="list-style-type: none"> 1. Establish clear communication channels between management and employees to address grievances promptly. 2. Implement fair and transparent policies for performance evaluation, promotion, and compensation. 3. Provide regular training to management and employees on labor laws, company policies, and conflict resolution. 4. Encourage employee engagement and participation in decision-making processes. 5. Periodically, benchmark employee benefits and salary to ensure that benefits provided to employees are in line with industry standards. 	Negative
9	Training & Education	Risk	Insufficient talent possessing the necessary skills, along with high attrition rates and limited development of human capital, can lead to business disruptions, a negative impact on reputation, and may impede the Company's ability to achieve its business objectives.	<ol style="list-style-type: none"> 1. Develop a comprehensive training program to ensure employees acquire and maintain necessary skills. 2. Regularly assess training needs and adjust programs accordingly. 3. Provide opportunities for further education and skills development. 4. Implement knowledge-sharing platforms and mentorship programs to transfer skills and knowledge within the organization. 5. Monitor and evaluate the effectiveness of training programs regularly. 	Negative

S. no	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Corporate Social Responsibility	Opportunity	Most of APL Apollo's key sites are situated near the wider community. Maintaining a mutually beneficial, transparent, and trusting relationship with the community is essential for APL Apollo to retain its social license to operate. Deep engagement fosters goodwill, supports public consent, and brings long-term benefits such as community support, loyalty, a potential employee and capital source, and increased awareness of the company's products or services.		Positive
11	Corporate Governance	Opportunity	<ol style="list-style-type: none"> 1. Strong corporate governance practices can enhance the reputation of the company, increasing trust among investors, customers, and other stakeholders. 2. Good governance helps identify and mitigate risks, such as compliance issues, corruption, and ethical lapses. By managing these risks effectively, a steel company can protect its operations and finances. 3. Good governance will attract more investors since investors often prefer companies with transparent and accountable governance structures. 		Positive
12	Market presence	Opportunity	<ol style="list-style-type: none"> 1. A strong market presence can enhance brand recognition for APL Apollo, making its products more easily identifiable and preferred by customers. 2. A strong presence in existing markets can provide a platform for expanding into new markets, both domestically and internationally. 3. A strong market presence can drive revenue growth through increased sales and market share. 		Positive

Section B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1. (a)	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1. (b)	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1. (c)	Web Link of the Policies, if available	https://aplapollo.com/downloads								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The majority of our policies adhere to globally recognized standards such as, SA8000, ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health & Safety Management System). Additionally, several of our plants are certified in ISO standards, including ISO 9001, ISO 14001, and ISO 45001.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> • Net Zero by 2050 (aligned to SBTi). • Reduce Scope 1&2 emissions per metric ton of steel produced by 25% by 2030, against a 2023 base-year. • All units to be ZLD facilities by 2025. • Rainwater harvesting to be installed at all units by 2025. 								
6	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<ul style="list-style-type: none"> • APL Apollo has initiated a Purchasing Power Agreement with BluPine Energy to establish a solar power plant in Chattisgarh, aimed at offsetting 87,000 tonnes of CO2 emissions each year. This marks a substantial stride towards fulfilling our Net Zero commitment. • 5 out of 11 Plants are equipped with ZLD facilities and others are in advanced stage. • All our plants are equipped with the necessary rainwater harvesting facility 								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9																																																												
Governance, Leadership, and Oversight																																																																					
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>ESG has emerged as an undeniable catalyst for organizational value enhancement, serving as a key indicator of productivity and resilience. By integrating ESG considerations into our governance and decision-making processes, we aim to enhance our ability to identify emerging opportunities and mitigate risks effectively. APL Apollo's commitment to excellence has not only led to greater financial efficiency but also positioned us to achieve crucial ESG objectives, thereby contributing significantly to value creation for all stakeholders involved.</p> <p>This year, APL Apollo proudly became a signatory of the United Nations Global Compact (UNGC), underscoring our commitment to responsible business practices and sustainability. This signifies a significant step forward for the company, aligning us with global standards for corporate responsibility and emphasizing our dedication to ethical operations, environmental stewardship, and social progress. Additionally, APL Apollo has taken a target to become Net Zero by 2050 in alignment with the Science Based Target Initiatives.</p>																																																																				
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors																																																																				
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>APL Apollo has formalized its approach to ESG governance, aligning with our vision and mission. This reflects the commitments we made last year to all stakeholders, including employees, suppliers, and customers, ensuring high-quality materials. Our focus on honesty and transparency is evident in clearly defined targets, progress tracking, and efforts for ongoing improvement. The ESG Charter serves as a policy document, outlining our sustainability goals, progress reporting, and short-, medium-, and long-term objectives. We've established a robust ESG governance structure to adhere to the ESG Charter, overseen by three main levels: the Board (Risk Management Committee), Corporate Management (ESG Council), and Site Management (Site Council).</p>																																																																				
10. Details of Review of NGRBCs by the Company	<p>a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</p> <table border="1"> <thead> <tr> <th></th> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td>1. Performance against above policies and follow up action</td> <td colspan="9">Yes, the review is conducted by the Committee of the Board</td> </tr> <tr> <td>2. Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</td> <td colspan="9">Yes, the review is conducted by the Committee of the Board</td> </tr> </tbody> </table> <p>b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</p> <table border="1"> <thead> <tr> <th></th> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td>1. Performance against above policies and follow up action</td> <td colspan="9">Annually</td> </tr> <tr> <td>2. Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances</td> <td colspan="9">Annually</td> </tr> </tbody> </table>										P1	P2	P3	P4	P5	P6	P7	P8	P9	1. Performance against above policies and follow up action	Yes, the review is conducted by the Committee of the Board									2. Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the review is conducted by the Committee of the Board										P1	P2	P3	P4	P5	P6	P7	P8	P9	1. Performance against above policies and follow up action	Annually									2. Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Annually								
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11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	<table border="1"> <thead> <tr> <th></th> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="9">No external evaluation was conducted; however, the processes and compliances undergo scrutiny by internal auditors and regulators where applicable. Policies are periodically reviewed and updated by department heads and business leaders, with approval from management and/or the board.</td> </tr> </tbody> </table>										P1	P2	P3	P4	P5	P6	P7	P8	P9		No external evaluation was conducted; however, the processes and compliances undergo scrutiny by internal auditors and regulators where applicable. Policies are periodically reviewed and updated by department heads and business leaders, with approval from management and/or the board.																																																
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12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. The entity does not consider the principles material to its business (Yes/No)									
2. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
3. The entity does not have the financial or/human and technical resources available for the task (Yes/No)						Not Applicable			
4. It is planned to be done in the next financial year (Yes/No)									
5. Any other reason (please specify)									

Section C: Principle-wise performance disclosure

This section is intended to assist demonstrating their ability to integrate the principles and core elements into essential processes and decisions. The information needed is divided into ‘Essential’ and ‘Leadership’ categories. While the essential indicators must be given by every institution required to file this report, the leadership indicators may be voluntarily disclosed by entities that desire to be leaders to advance in their drive to be more socially, ecologically, and ethically responsible.

Principle 1: Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

S. No.	Segment	Total number of training & awareness programmes held	Topics / principles covered under the training	% Of persons in respective category covered by the awareness programmes
1	Board of Directors	1	All 9 principles have been covered	100%
2	Key Managerial Personnel	1	All 9 principles have been covered	100%
3	Employees other than BOD and KMPs	1	Code of Conduct	96%
4	Workers	663	Occupational Health & Safety Awareness	92%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2024

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/Fine	1	State Tax Officer, Intelligence, Hosur, Tamil Nadu under Section 74 of the CGST Act, 2017	₹1087227973 (Cumulative)	Non-Payment/reversal of GST on certain items for various years (FY2017- FY2023) as per the GST department.	Yes
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non - Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or nonmonetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Non-Payment/reversal of GST on certain items as per the GST department	The Hon'ble High Court of Madras vide various orders passed on different dates fully or partially set aside the demand orders and remanded back the same to the respective authority.

4. Does the entity have an anti-corruption policy or antibribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The company is committed to upholding principles of transparency, accountability, and good governance. In addition to the Business Responsibility Policy, the company has implemented a 'Corporate Ethics and Code of Conduct,' which includes directives on Anti-Bribery and Anti-Corruption. The company also has an effective Vigil Mechanism and Whistle Blower Policy in place. This Code of Conduct applies to both directors and employees of the company. Furthermore, the company encourages its suppliers, contractors, NGOs, and others to adhere to similar ethical practices in a fair manner.

5. No of Directors/KMPs/Employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption.

Segment	FY 2024	FY 2023
1 Directors	0	0
2 Key Managerial Personnel	0	0
3 Employee	0	0
4 Workers	0	0

6. Details of complaints with regard to conflict of interest

Segment	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
1	0	0	0	0
2	0	0	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

None

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 24	FY23
Number of days of accounts payables	40	36

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 24 (Current Financial Year)	FY 23 (Previous Financial Year)
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	0	0
	b) Number of trading houses where purchases are made from	0	0
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a) Sales to dealers / distributors as % of total sales	~90%	~90%
	b) Number of dealers / distributors to whom sales are made	800+	800+
	c) Sales of top 10 dealers / distributors as % of total sales to dealers / distributors	35%	34%
Share of RPTs in	a) Purchases (Purchases with related parties / Total Purchases)	15%	13%
	b) Sales (Sales to related parties / Total Sales)	4%	3%
	c) Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d) Investments in related parties / Total Investments made)	29%	52%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	GHG Emission, Supply code of conduct, Human rights	52%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The company has established a Code of Conduct for Directors and Senior Management. This code mandates that individuals act in the best interests of the company. It also requires them to ensure that any external business dealings or personal associations do not create conflicts of interest with the company's operations. A conflict of interest occurs when a director or Senior Management member's personal interest, directly or indirectly, through relatives or associates, conflicts or appears to conflict with the company's interests. In such situations, the Director concerned is required to immediately report the same.

For additional information please refer to our Code of Conduct for Board and Senior Management: <https://aplapollo.com/wp-content/uploads/2020/06/Code-of-conduct-for-Members-of-the-Board-and-Senior-Management.pdf>

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

S. No.	Segment	FY 2024	FY 2023	Details of improvements in environmental and social impacts
1	R&D	(100%) ₹5 Crore	(100%) ₹5 Crore	The Company is working towards energy efficiency, waste management and process optimization.
2	Capex	24%	19%	Investments in renewable energy, zero liquid discharge, rainwater harvesting and improvement of health and safety initiatives.

2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

In its vendor onboarding process, the company ensures all vendors are aware of its sustainability standards. Additionally, APL Apollo procures raw materials from MSMEs and local sources.

- b) If yes, what percentage of inputs were sourced sustainably?

94% of APL Apollo's suppliers (by spend) adhere to SA8000 and ISO 45001 standards.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

	FY24		
	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	At APL Apollo, our commitment to environmental sustainability runs deep. We guarantee that all our process scraps are recyclable, contributing to waste reduction and the promotion of a circular economy. We've partnered with reputable third-party vendors to manage and dispose hazardous waste and E-waste generated from our compounds responsibly. Additionally, treated wastewater is utilized for landscaping purposes within our facilities.		
E-Waste			
Hazardous Waste			
Other Waste			

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

APL Apollo does not have EPR liability.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
27152	MS Tubes	66%	The LCA study boundary spans from Cradle to Grave, encompassing raw material extraction, transportation, environmental impact across processing stages, product use, and end-of-life considerations.	Yes	Yes, APL Apollo has publicly reported that it has conducted LCA for its products in its ESG Report 2022-23. Refer to the link below: https://aplapollo.com/images/others/ESG_Annual_Report_22-12-2023.pdf
27152	GI Tubes	5%		Yes	
27152	GP Tubes	3%		Yes	
27152	Pre-painted Alu Zinc Sheets	7%		Yes	
27152	Pre-painted Galvanized Sheets	19%		Yes	

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk / concern	Action Taken
Our products are of a great circularity nature due to its high recyclability, durability, and longevity. As per the Life Cycle Assessment, none of our products exhibited any kind of social or environmental risks.	Not Applicable	Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024	FY 2023
Processing of solid waste like steel tube end-cuts, and mild steel craps	3%	3%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024			FY 2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category

Reclaimed products and their packaging materials as % of total products sold in respective category

At APL Apollo, we are deeply committed to environmental sustainability. As part of our eco-friendly approach, we ensure that 100% of our process scraps are recyclable, reducing waste and promoting a circular economy. Moreover, we have established partnerships with trusted third-party vendors to responsibly manage and dispose of any non-steel materials generated from our facilities. By actively minimizing plastic usage and embracing recycling practices, we strive to create a greener and more sustainable future for generations to come.

100%

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% Of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,152	1,152	100%	-	-	NA	-	-	-	NA	-
Female	23	23	100%	-	-	23	100%	-	-	No Cases	-
Total	1,175	1,175	100%	-	-	23	1.96%	-	-	-	-
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	Total (A)	% Of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1,615	1,615	100%	-	-	NA	-	-	-	NA	-
Female	5	5	100%	-	-	5	100%	-	-	No Cases	-
Total	1,620	1,620	100%	-	-	5	0.31	-	-	-	-
Other than permanent workers											
Male	2,260	2,260	100%	-	-	NA	-	-	-	NA	-
Female	16	16	100%	-	-	16	100%	-	-	No Cases	-
Total	2,276	2,276	100%	-	-	16	0.70	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 24	FY23
Cost incurred on well-being measures as a % of total revenue of the company	0.011%	0.010%

2. Details of retirement benefits for Current and Previous FY

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1 PF	100%	100%	100%	100%	100%	Y
2 Gratuity	100% as per the gratuity	100% as per the gratuity	We maintain gratuity trust with Kotak Mahindra	100% as per the gratuity eligibility	100% as per the gratuity eligibility	Y
3 ESI	100% as per ESI limit	100% as per ESI limit	Employee State Insurance Corporation	100% as per ESI limit	100% as per ESI limit	Y
4 Others	-	-	-	-	-	Not Applicable

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

All our facilities and premises are properly equipped with the necessary amenities to make them accessible for differently abled persons.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The company actively promotes diversity and equal opportunity in all aspects of its business operations, ensuring that employees and workers are not discriminated against based on factors such as caste, gender, religion, or cultural background during recruitment and throughout their employment.

5. Return to work and Retention rates of permanent employees that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	None of the permanent employees and workers have claimed parental leave in FY24.			
Female				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

		Yes/No (If yes, then give details of the mechanism in brief)
1	Permanent workers	At APL Apollo, we prioritize the creation of a safe and inclusive workplace for our employees. To ensure transparency and address any concerns, we have implemented a robust vigil mechanism. Our Anti-Sexual Harassment Policy is actively enforced to handle and resolve any grievances in this regard. Additionally, we have a Whistleblower policy in place, outlining the procedure for employees and workers to raise complaints, including the contact details of the Vigilance Officer. We are committed to fostering a culture of respect and providing a confidential platform for employees to voice their concerns, thereby maintaining a harassment-free workplace.
2	Other than Permanent Workers	
3	Permanent Employees	
4	Other than Permanent Employees	

7. Membership of employees in association(s) or Unions recognized by the listed entity.

Category	FY 2024			FY 2023		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / Workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

8. Details of training given to employees and workers

Category	FY 2024					FY 2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	1,152	-	-	1,152	100%	1176	-	-	1,176	100%
Female	23	-	-	23	100%	22	-	-	22	100%
Total	1,175	-	-	1,175	100%	1198	-	-	1,198	100%
Workers										
Male	1,615	1,615	100%	-	-	3,119	3,119	100%	-	-
Female	5	5	100%	-	-	-	-	-	-	-
Total	1,620	1,620	100%	-	-	3,119	3,119	100%	-	-

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024			FY 2023		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1152	890	77.26%	1,176	1,176	100%
Female	23	16	69.57%	22	22	100%
Total	1175	906	77.11%	1,198	1,198	100%
Workers						
Male	1615	1,348	83.47%	3,119	3,119	100%
Female	5	5	100%	-	-	-
Total	1620	1,353	83.52%	3,119	3,119	100%

Note: Employees & workers who joined post 30th September 2023 have not been considered for career development review

10. Health and Safety Management System

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?

At APL Apollo, the well-being and safety of our employees is one of our top priorities. We have established an Occupational Health & Safety policy that complies with ISO 45001 standards, ensuring a strong occupational health and safety management system. This policy includes detailed practices and guidelines designed to promote a secure working environment. We spare no effort in implementing all necessary measures to protect the health and safety of our employees, as we strongly believe that their well-being is of utmost importance. Three out of eleven manufacturing facilities (27%) are certified with ISO 45001 for Occupational Health and Safety.

For more information, kindly refer to our Occupational Health & Safety Policy:

https://aplapollo.com/images/others/OHS_Policy_Draft_APL_Apollo.pdf

The link to our ISO certifications: <https://aplapollo.com/esgs>

b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?

We hold regular meetings to identify, assess, and effectively mitigate safety and hazard-related issues. These meetings provide a forum for open communication, empowering our team to address potential risks and maintain a safe working environment. Through active participation in these discussions, we demonstrate our dedication to fostering a culture of safety and continually enhancing our workplace conditions.

c. Whether you have processes for employees to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, at APL Apollo, we have a clearly established procedure that enables our employees to report any work-related hazards they come across and to take appropriate steps to remove themselves from such risks. Our Occupational Health & safety policy offers detailed information on this procedure, ensuring that every employee has the necessary knowledge and resources to prioritize their own safety and that of their colleagues. We are dedicated to promoting a culture of proactive hazard reporting and risk reduction, with the well-being of our employees being our top priority in all our operations.

d. Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

We offer access to medical and healthcare facilities for non-work-related issues, ensuring comprehensive healthcare support. We have dedicated ambulances available at our manufacturing locations and have suitable arrangements with local hospitals and clinics. Moreover, we provide health insurance and accident coverage to our employees and workers, ensuring their welfare. Through these initiatives, we showcase our dedication to their overall health and welfare, nurturing a supportive and holistic workplace environment.

11. Details of Safety related incidents, in the following format:

Safety Incident/Number		Category	FY 2024	FY 2023
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.7	1.1
		Workers	9.3	3.1
2	Total recordable work-related injuries	Employees	15	5
		Workers	64	12
3	No. of fatalities	Employees	0	0
		Workers	0	0
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	2
		Workers	5	4

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

A safety committee, consisting of a safety officer and four members from different departments, conducts regular safety and health inspections at all APL Apollo group facility.

Internal Safety Committee is responsible for the following activities:

- Conduct daily safety rounds.
- Document any unsafe conditions observed during the rounds.
- Provide regular in-house safety training and awareness programs for all employees.
- Plan and conduct mock drills at regular intervals.
- Regularly inspect and monitor all firefighting equipment.
- Hold weekly meetings with the unit head to review the safety standards of the unit.

13. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	27% of our manufacturing facilities are certified with ISO 45001
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

APL Apollo ensures safety across all its plants through a comprehensive array of measures. This includes prominent safety display boards within the plants, the presence of HIRA sheets outlining division-specific safety protocols, and the implementation of action plans in each division to mitigate near-miss hazards. Additionally, before and after safety Kaizen work is conducted, assembly points and fire extinguishers are visibly marked, and safety education and training programs are regularly conducted. The audit teams ensure ongoing evaluation and improvement of safety standards, complemented by daily toolbox talks and audio-visual presentations on safety guidelines. Barricades are strategically placed near heavy machinery, and the mandatory use of personal protective equipment is enforced. New employees undergo thorough safety inductions, while continuous

monitoring is facilitated through CCTV surveillance and supervision by security personnel. Furthermore, all movable machinery is equipped with sensors to halt operations in the event of human proximity. Recognition and reward systems incentivize adherence to safety protocols. Internal infrastructure enhancements such as speed breakers further contribute to accident prevention, and strict compliance requirements for third-party contractors ensure insurance and ESIC standards are met for any work conducted within the premises.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Employees: Yes

Workers: No

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partner.

The agreements with our value chain partners include clauses that ensure statutory dues are regularly deducted and deposited. We closely monitor adherence to these clauses.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	NIL	2	NIL	NIL
Workers	7	4	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The company consistently invests in developing its human capital, focusing on enhancing current skills, competencies, and providing diverse experiences to employees. This approach not only boosts workforce employability but also facilitates a seamless transition to new opportunities if desired.

Regarding the gratuity scheme, it entails a lump sum payment to vested employees upon retirement, death, or termination of employment. The payment is equivalent to 15 days' salary for each completed year of service or part thereof exceeding 6 months. Vesting occurs after completing 5 years of service.

5. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Tata Steel and JSW account for 94% of our upstream value chain. All of Tata Steel's manufacturing sites are certified with ISO 45001, while 54% of JSW's facilities have obtained this certification.
Working Conditions	Tata Steel is certified with SA 8000 and JSW is partially certified with SA 8000

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

APL Apollo has implemented various measures to mitigate major risks and concerns identified in evaluations of health and safety practices and working conditions among its value chain partners. The company actively engages with suppliers to enhance their sustainability practices by providing them with improvement opportunities, particularly focusing on those categorized as 'Basic' and 'Improving' in the Responsible Supply Chain Policy assessment. These efforts involve outlining specific follow-up actions to drive positive change.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Key stakeholders are identified based on their influence and impact on the company's operations. The company conducted a materiality assessment, gathering opinions from both external and internal stakeholders through online and offline surveys.

In the initial stage of this process, internal stakeholders were classified as employees, while external stakeholders were categorized as investors and shareholders, suppliers/partners, and customers/dealers. Additionally, the company selected community groups to receive resources in the form of CSR projects, aiming to promote community welfare.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, A/Wvertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	Investor calls, analyst meets and general meetings	Quarterly/Annually/ As or when required	<ol style="list-style-type: none"> 1. Transparent and effective communication of business performance 2. Addressing investor queries and concerns 3. Sound corporate governance mechanisms 4. Providing insights into the Company's corporate strategy and business environment
Employees	No	Employee engagement initiatives, continuous interaction with management, appraisals, grievance redressal mechanism	Regularly (weekly/ monthly)	<ol style="list-style-type: none"> 1. Personal development and growth 2. Health and safety 3. Grievance resolution 4. Competitive remuneration
Suppliers/ Partners	No	Regular meetings with key suppliers by senior management, supplier visits, suppliers' meet, supplier tour of manufacturing facilities	Quarterly/Half yearly	<ol style="list-style-type: none"> 1. Infrastructure support 2. Interactive engagement 3. Inclusion of local and MSME vendors
Customers/ Dealer	No	Regional meets, visits to dealers, need-based visits, Customer meets, Customer visits by the marketing team and senior management	Quarterly	<ol style="list-style-type: none"> 1. Grievance redressal 2. Product quality 3. post-sales support
Community	Yes	Need-based assessment surveys, community visits by company management, periodic cultural meets	As per regulatory requirements and as per needs	<ol style="list-style-type: none"> 1. Public hearings 2. Meetings with community leaders

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

APL Apollo's Stakeholder Engagement policy is covered under its Business Responsibility Policy. The company emphasizes the importance of an effective stakeholder engagement system in achieving long-term sustainability goals and overall company success.

The board has delegated the responsibility of gathering valuable inputs from key internal and external stakeholders. In the financial year 2022, the company conducted a comprehensive materiality assessment and stakeholder engagement process to gain a deeper understanding of critical environmental, social, and governance (ESG) concerns relevant to its operations.

As part of this process, the company interacted with key internal and external stakeholders to comprehend their challenges and incorporate their perspectives into materiality assessments, which helped prioritize ESG concerns. Insights from stakeholder engagement were analyzed to develop the materiality matrix and finalize the list of ESG priority areas and take targets against them.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The company consistently engages with its key stakeholders in a regular and proactive manner, enabling it to effectively execute its ESG strategies and maintain transparency regarding the outcomes. In line with current needs and stakeholder interactions, the company conducts periodic assessments to update and revise its policies.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The company actively supports and responds to underprivileged, vulnerable, and marginalized groups in society. As part of its CSR efforts, it addresses the needs of the poor and disadvantaged directly or through local NGOs. In FY 24, the company invested 13 Crore INR in initiatives aimed at uplifting people.

Principle 5: Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format.

Category	FY 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,175	1,175	100%	1,198	1,198	100%
Other than permanent	0	0	NA	0	0	0
Total employees	1,175	1,175	100%	1,198	1,198	100%
Workers						
Permanent	1,620	1,620	100%	1,389	1,389	100%
Other than permanent	2,276	2,276	100%	1,730	1,730	100%
Total workers	3,896	3,896	100%	3,119	3,119	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024					FY 2023				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent										
Male	1,152	9	1%	1,143	99%	1,176	0	0	1,176	100%
Female	23	-	-	23	100%	22	0	0	22	100%
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	1,615	167	10%	1448	90%	1,389	-	-	1,389	100%
Female	5	2	40%	3	60%	0	0	0	0	0
Other than permanent										
Male	2,260	180	8%	2080	92%	1,730	-	-	1,730	100%
Female	16	4	25%	12	75%	0	0	0	0	0

3. Details of remuneration/salary/wages

a) Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	₹3,00,00,000	-	-
Key Managerial Personnel	4	₹36,50,000	-	-
Employees other than BoD and KMP	1,110	₹5,06,352	20	₹5,45,010
Workers	3,802	₹2,95,116	21	₹2,34,552

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY24	FY23
Gross wages paid to females as % of total wages	1.7%	1.0%

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

APL Apollo has appointed a dedicated Vigilance Officer and an Internal Complaints Committee responsible for addressing and managing all matters related to human rights. This officer ensures that grievances are promptly, impartially, and confidentially addressed. APL Apollo prioritizes the creation of a safe and inclusive work environment where the rights of every employee are respected, and any concerns are resolved promptly and effectively.

5. Describe the internal mechanisms in place to redress grievances related to human rights issue.

As per the Human Rights Policy, all grievances are addressed following the mechanism outlined in the Whistleblower Policy. The Chairman of the Audit Committee forwards Protected Disclosures to the Vigilance Officer for necessary action. The Vigilance Officer conducts investigations, involving other officers, committees, or external agencies if needed, and submits a report to the Audit Committee within 60 days, with the option to request an extension. The Audit Committee may seek further information, involve additional officers or agencies, and treat the investigation as a neutral fact-finding process.

If wrongdoing is found, the Audit Committee recommends disciplinary action to the Board. Disciplinary actions adhere to the Company's personnel conduct and disciplinary policies. The Audit Committee reports all Protected Disclosures and investigation results quarterly to the Board. Confidentiality is maintained throughout the process, and complainants are protected from unfair treatment and retaliation.

6. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	NA	NIL	NIL	NA
Child Labour	NIL	NIL	NA	NIL	NIL	NA
Forced Labour/ Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other human rights related issues	NIL	NIL	NA	NIL	NIL	NA

7. Complaints filed under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY24	FY23
Total complaints reported under Sexual Harassment on Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	Not Applicable	Not Applicable

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

APL Apollo's Whistleblower policy and Prevention of Sexual Harassment policy outlines guidelines, processes, procedures, and forums for reporting, hearing, and resolving complaints related to sexual harassment and discrimination. These complaints are reviewed by the Vigilance Officer designated by the Company's management.

Our policies ensures that no unfair treatment is given to a complainant for reporting a disclosure under this policy. Adequate safeguards are provided against unfair employment practices, such as retaliation, threats, intimidation, or obstruction of the complainant's duties/functions. Any violation of these safeguards can be reported to the Chairman of the Audit Committee, who may initiate an investigation and take suitable disciplinary action.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights are a fundamental component of the company's business agreements and contracts. The company is dedicated to safeguarding and promoting the human rights of its workforce, communities, and all individuals directly or indirectly impacted by its business activities.

10. Assessments for the year

Section	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	APL Apollo is committed to health and safety, demonstrated by its recent UNGC membership and its dedication to providing a safe workplace. The company also upholds a human rights policy that ensures zero tolerance for discrimination, child labor, forced labor, and sexual harassment.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

APL Apollo rigorously examines its business operations to pinpoint any risks concerning human rights. Our company's human rights policy guarantees that none of our activities involve forced or child labor, and we maintain a strict stance against all forms of sexual harassment and discrimination.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

APL Apollo upholds the principle of Human Rights in all its business ventures. In FY24, there have been no significant complaints or grievances related to human rights issues.

2. Details of the scope and coverage of any Human rights due diligence conducted.

APL Apollo has strict measures in place to ensure Human Rights are not violated in its operations however, the company is gearing up to conduct a thorough Human Rights due diligence in the following financial years.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, all the premises and facilities of APL Apollo are equipped with necessary amenities to ensure accessibility for differently abled visitors.

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Tata Steel and JSW account for 94% of our upstream value chain.
Discrimination at workplace	Tata Steel is certified with SA 8000 and is committed to conduct human rights due diligence in FY 24 in accordance with OECD guidelines. Meanwhile, JSW is partially certified with SA 8000.
Child Labour	
Forced Labour/Involuntary Labour	
Wages	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY24	FY23
From renewable sources		
Total electricity consumption (A) (GJ)	206,748	178,626
Total fuel consumption (B) (GJ)	-	-
Energy consumption through other sources (c) (GJ)	-	-
Total energy consumed from renewable sources (A+B+C) (GJ)	206,748	178,626
From non-renewable sources		
Total electricity consumption (D) (GJ)	525,319	301,368
Total fuel consumption (E) (GJ)	662,510	445,173
Energy consumption through other sources (F) (GJ)	181,323	-
Total energy consumed from non-renewable sources (D+E+F) (GJ)	1,369,152	746,541
Total energy consumed (A+B+C+D+E+F) (GJ)	1,575,900	925,167
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/INR Crore)	87	57.2
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) GJ/USD Million	194.8	126.9
Energy intensity in terms of physical Output (GJ/ Mn MT)	0.6	0.4
Energy intensity (optional) – the relevant metric may be selected by the entity		

We commissioned our new Raipur plant in FY2023 and have gradually increased production at the plant. In FY25, we are in the process of identifying strategies to increase the share of renewable energy in the plant. Apart from this plant, share of renewable energy consumed by all our other plants is 41%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Our Energy consumption data has been assured by a third party. Name of assurance provided- Sustainability Actions Private Limited.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY24	FY23
Water withdrawal by source (in kiloliters)		
(i) Surface water	89,807	0
(ii) Groundwater	419,315	458,919
(iii) Third party water	46,946	130,942
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)	556,068	589,861
Total volume of water consumption (In kiloliters)	556,068	589,861
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL/INR Crore)	30.7	36.48
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) KL/USD Million	68.7	80.9
Water intensity in terms of physical Output (KL/ Mn MT)	0.2	0.3
Water intensity (optional) – the relevant metric may be selected by the entity		

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Our water consumption data has been assured by a third party. Name of assurance provided- Sustainability Actions Private Limited.

4. Provide the following details related to water discharge:

Parameter	FY24	FY23
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	31,033
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	85,035	14,967
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	85,035	46,000

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Our water consumption data has been assured by a third party. Name of assurance provided- Sustainability Actions Private Limited.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, four out of eleven plants currently have zero liquid discharge facilities, and the remaining plants are in an advanced stage of implementation. Our objective is to have Zero Liquid Discharge facilities operational in all our plants by 2025.

6. Provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 2024	FY 2023
NOx	µg/m ³	43	3.9
Sox	µg/m ³	39	2.6
Particulate matter (PM)	µg/m ³	45.9	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others- please specify	-	-	-

Note: Unit of measurement for FY23 air emissions was Metric Tonne (MT)

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify units	FY 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	52,852	29,260
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	101,830	59,436
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tons of CO ₂ equivalent/INR Crore	8.5	5.5
Total Scope 1 and Scope 2 emission intensity per rupee turnover adjusted for Purchasing Power Parity (PPP) (Total scope 1 and scope 2 GHG emissions / revenue from operations adjusted for PPP)	Metric Tonne CO ₂ /USD Million	19	12.2
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric Tonnes CO ₂ / Mn MT	0.06	0.04
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, Our Scope 1 and Scope 2 Emissions data has been assured by a third party. Name of assurance provided- Sustainability Actions Private Limited.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

72% of APL Apollo's plant have access to renewable energy. In FY24, the total energy consumption from renewable sources was 206,748 GJ which is a 16% increase from renewable energy consumption in FY23. Additionally, APL Apollo has signed a Power Purchase Agreement with BluPine Energy for a 61.65-megawatt solar plant in Chattisgarh. This project is estimated to generate about 94.5 million units of electricity annually, which will offset more than 87,000 tonne of CO₂ emissions each year.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY24	FY23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	6,501	37,610
E-waste (B)	24	2,050
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)	0.41	
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)	7,997	8,090
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	99,528	55,150
Total (A+B + C + D + E + F + G + H)	114,050	102,900
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	6.3	6.4

Parameter	FY24	FY23
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) Metric Tonnes/USD Million	14.1	14.1
Waste intensity in terms of physical output (Metric Tonnes/ Mn MT)	0.04	0.05
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	102,769	22,790
(ii) Re-used	3,244	24,960
(iii) Other recovery operations	2	
Total	106,015	47,750
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	7,997	
(ii) Landfilling	38	
(iii) Other disposal operations		55,150
Total	8,035	55,150

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Our waste data has been assured by a third party. Name of assurance provided- Sustainability Actions Private Limited.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Liquid non-hazardous waste produced at the Sewage Treatment Plant (STP) is repurposed to sustain green areas, while hazardous waste is carefully segregated and stored in secure, manned facilities. APL Apollo adheres strictly to the Hazardous Waste and other Waste Rules of 2016, ensuring that hazardous waste is disposed of responsibly through authorized vendors.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, specify details in the following format.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	None of APL Apollo's facilities are located near the vicinity of ecologically sensitive areas.		

12. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
	APL Apollo has been compliant to all environmental regulations and guidelines in India hence, this question is not applicable to the company.			

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (In Kiloliters): For each facility / plant located in areas of water stress, provide the following information:

- Name of the area:** According to Central Groundwater Board APL Apollo's plants located in Hyderabad, Sikandrabad, and Bangalore are in zones where groundwater has been overexploited.
- Nature of operations:** Manufacturing & Selling of Structural Steel tubes
- Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY24	FY23
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	225,087	199,302
(iii) Third party water	10,527	38,187
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	235,614	237,489
Total volume of water consumption (In kiloliters)	235,614	237,489
Water intensity per rupee of turnover (Water consumed / turnover) (KL/INR Crore)	13	14.7
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	33,063	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	33,063	-

Note: The total water withdrawal exceeds the total water discharged significantly. Out of the 5 plants located in water-stressed regions, 1 plant of APL Apollo, situated in Bangalore, have implemented zero liquid discharge facilities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Please provide details of Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY24	FY23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,178,908	47,535
Total Scope 3 emissions per rupee of turnover	Metric tons of CO ₂ equivalent/INR Crore	65.06	2.9
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Direct Forming Technology (DFT)	45% of APL Apollo plants employs this cutting-edge technology for manufacturing, employing a fully computerized process. DFT represents a novel method for tube production, enabling the creation of custom hollow sections seamlessly integrated into the mill range without requiring roll modification. Refer to the link below for further details on this technology: https://aplapollo.com/products/structural-steel-tubes-apollo-dft	The benefits of the technology are as follows: <ul style="list-style-type: none"> This innovation allows for the production of any size within the mill range without the need for roll changes, leading to a significant decrease in setup time. This technology enables us to maintain uniform width throughout the tube/pipe.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, APL Apollo has a Business Continuity Plan which is incorporated within the company's Risk Management Policy. As per the plan, the Risk Management Committee shall ensure that APL Apollo lays down a strategy to safeguard company's assets, human resources, business partners and business processes during a natural calamity. Refer to our risk management policy for further details: https://aplapollo.com/images/others/Risk_Management_Policy.pdf

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

At APL Apollo, we closely monitor the business operations of our value chain partners and ensure they abide by our work ethics and practices. So far, all our value chain partners have been compliant to law and order and there have been no adverse impact to the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Tata Steel and JSW account for 94% of our upstream value chain. JSW and TATA Steel's plants are certified under ISO 14001. Both of our major suppliers have implemented all the necessary environmental policies companywide to ensure sustainable business practices and protection to the environment.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers / associations: 2
- b. List the top 10 trade and industry chambers / associations (determined based on the total members of such a body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	CII (Confederation of Indian Industry)	National
2	FIEO (Federation of Indian Export Organization)	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the case	Corrective action taken
In Financial year 2024, APL Apollo did not display any kind of anticompetitive conduct hence, this question is not applicable to the company.		

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable					

Principle 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current FY 24

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format:

S.No	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
NIL						

3. Describe the mechanisms to receive and redress grievances of the community:

APL Apollo Tubes Limited demonstrates a strong commitment to community engagement and welfare through its customized grievance redressal mechanisms. These mechanisms are tailored to the specific needs and nuances of each location where the company operates, ensuring they are not only effective but also sensitive to local concerns. This approach highlights APL Apollo's dedication to understanding and addressing the unique challenges and expectations of the communities in which it operates, fostering trust and sustainable relationships.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category of waste	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	2%	2%
Directly from within India	97%	98%

5. Job creation in smaller towns- disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis in the following locations, as % of total wage cost:

Location	FY24	FY23
Rural	37.24%	33.52%
Semi-Urban	-	-
Urban	40.45%	44.29%
Metropolitan	22.31%	22.19%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NIL	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No	State	Aspirational District	Amount Spent (in ₹)
		NIL	

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

At APL Apollo, we are working towards implementing a preferential procurement policy in order to uplift marginalized suppliers.

b. From which marginalized /vulnerable groups do you procure? Not Applicable

c. What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		NIL		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
	NIL	

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Aarohi: It's a program focused on skill development for women, offering training in areas like beauty parlors, nutrition, and other tailored skills to empower them to secure their livelihoods.	280	100%
2.	Shikshana Pragati: Improved the basic infrastructure of Junior Primary school in the identified villages to make it safer for students and teachers to ensure student retention & a good learning experience for children	300	100%
3.	Karuna: In collaboration with Noida authority, APL Apollo has conducted Anti-Rabies vaccination drives for stray dogs in the locality.	11,650	100%
4.	Vidya Jyoti-I Kesda: Provision of teachers at Govt Higher Secondary School in Kesda Village to cover/complete the pending syllabus so children don't waste an academic year.	525	100%
5.	Samuday Bhawan I in Ringni and Mahila Shakti Bhawan- Kesda: A community room has been built in Ringni and Kesda village to facilitate vocational training for women and other residents. This space is available for use by both the Government and APL Apollo for training sessions. Additionally, APL Apollo has future plans to maintain an orchard around the Bhawan.	4,000	100%
6.	Ujjwal - I in Ringni & Kesda: The localities of Ringni and Kesda have struggled with crime due to inadequate street lighting, posing a significant danger, especially at night. Recognizing this issue, the village Sar Panch APL Apollo for assistance. In response, APL Apollo initiated a street lighting project, installing LED lights throughout the villages to improve safety and security.	7,175	100%
7.	Umeed: The underprivileged community has faced challenges in affording medical treatments for their terminal illnesses. In response to this distressing situation, APL Apollo has identified individuals in need of treatment and assisted them in accessing it.	5	100%

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

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our consumer-centric approach considers consumer complaints as opportunities to enhance consumer expectations and create more value with each subsequent supply. APL Apollo's complaint management process has evolved over the years to adapt to changing consumer expectations regarding complaint acknowledgment and resolution. Any dissatisfaction expressed by consumers regarding APL Apollo's products and services is treated as a complaint and is managed through a SAP-based consumer complaint management system.

2. Turnover of products and / services as a percentage of turnover from all products/ service that carry information about

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Environmental and social parameters relevant to the products are available on our website: https://aplapollo.com/
Safe and responsible usage	Environmental and social parameters relevant to the products are available on our website: https://aplapollo.com/
Recycling and/or safe disposal	APL Apollo produces steel products that have a long lifespan and do not require frequent recycling. However, our products are fully recyclable. Moreover, the majority of our waste consists of metal scrap, which is sold to authorized vendors who are responsible for its recycling.

3. Number of consumer complaints in respect of the following:

	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Not Applicable	0	0	Not Applicable
Advertising	0	0	Not Applicable	0	0	Not Applicable
Cyber-security	0	0	Not Applicable	0	0	Not Applicable
Delivery of essential services	0	0	Not Applicable	54	0	All complaints were resolved
Restrictive trade practices	0	0	Not Applicable	0	0	Not Applicable
Unfair trade practices	0	0	Not Applicable	0	0	Not Applicable
Others	45	0	All complaints were resolved	0	0	Not Applicable

Note: All complaints were related to products & services

4. Details of instances of product recalls on accounts of safety issues

	Number	Reason for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

APL Apollo has a companywide cyber security policy which is available on the company's intranet. Furthermore, APL Apollo is making substantial efforts to strengthen its information security measures by aligning its practices with international standards. It is on the verge of obtaining official certification with ISO 27001.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not Applicable

7. Provide the following information relating to data breaches:

- a. **Number of instances of data breaches:** No breaches reported in FY24.
- b. **Percentage of data breaches involving personally identifiable information of customers:** Not Applicable
- c. **Impact, if any, of the data breaches:** Not Applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details about APL Apollo's products and services can be found on this link <https://aplapollo.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

At APL Apollo, we consistently solicit feedback and diligently address customer grievances, ensuring that every effort is made to keep our customers informed about the responsible use of our products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

At APL Apollo, we notify our customers of any disruptions or discontinuations through our website.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

We follow the laws and regulations pertaining to the display of product information on the product. Furthermore, we take customer feedback seriously and make every effort to implement it into our business processes.

To,
The Board,
APL Apollo Tubes Limited
SG Centre, 37C, Block A, Sector 132,
Noida, Uttar Pradesh - 201304

Independent Assurance Statement

Scope and Approach

Sustainability Actions Private Limited ("SAPL") has been engaged by management of APL Apollo Tubes Limited ("APL" or "the Company"), to perform an independent reasonable assurance engagement of the Company's Business Responsibility and Sustainability Report (BRSR) Core Matrices (refer to annexure 1) for the FY23-24.

Reporting Criteria

The Report is prepared based on BRSR Core Framework (Annexure I of the SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR2023/122 dated July 12, 2023 and "Guidance Note for Business Responsibility and Sustainability Reporting Format" by Securities and Exchange Board of India (SEBI)

Management Responsibilities

The Company's Management is responsible for identification of key aspects,, content and presentation of the Business Responsibility and Sustainability Report in accordance with the Criteria mentioned above. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Business Responsibility and Sustainability Report and measurement of BRSR Core Matrices which are free from material misstatement, whether due to fraud or error.

Independence and Quality Control

We are independent from the entity in accordance with the requirements of independence and quality assurance set out in BRSR provisions and professional pronouncements and have fulfilled our additional professional obligations in accordance with these requirements.

Our assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith and free from material misstatements. We were not involved in the preparation of any statements or data included in the report except for Assurance Statement.

Our firm applies International Standard on Quality Management and accordingly maintains a comprehensive system of quality

control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the BRSR Core Matrices, based on the procedures we have performed and the evidence we have obtained. We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with APL. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Basis of our Opinion

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion and the process did not involve engagement with external stakeholders. We carried out one-to-one discussions, onsite and remote assessments.

As part of our assurance process, a multi-disciplinary team of sustainability and assurance specialists reviewed the disclosures presented within the Report and referenced information and sampled the disclosures and were reviewed through the APL's customised sustainability information management system.

We undertook the following activities:

- Obtained an understanding of the BRSR core matrices ;
- Interviewed selected senior managers responsible for management of sustainability topics and reviewed selected evidences to support issues disclosed in

the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver APL's Sustainability objectives;

- Reviewed processes and systems for aggregating site level sustainability information, that is, reviewed sustainability disclosures for selected sites as well as the overall data aggregated and consolidated at the Corporate level from the Company's sustainability management system;
- Review of the processes for gathering and consolidating the selected performance data related to identified material topics and, for a sample, checking the data consolidation in context under the Principle of Completeness.

Based on the above understanding and the risks that the matrices may be materially misstated, determined the nature, timing and the extent of further procedures, reviewed records and performed testing including recalculation of sample data to establish an audit trail.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the company's identified sustainability criteria as per BRSR core framework (refer to annexure 1) for the year ended 31st March 2024 are not prepared, in all material respects, in accordance with the Reporting Criteria.

Inherent Limitations

We have relied on the information, documents, records, data, and explanations provided to us by the Company for the purpose of our review. The assurance scope excludes:

- Any disclosure other than those mentioned in the scope section above

- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Report.
- The reported financial data are based on audited financial statements issued by the Company's statutory auditors which is subject to a separate audit process. We were not involved in the review of financial data from the Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
- The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

For and behalf of Sustainability Actions Pvt. Ltd.

(CIN – U74999HR2021PTC093811)

Saket Sinha

(Director)

Dt:- 9th May'24

Gurgaon, India

Annexure – 1

BRSR Core attributes

	BRSR Indicator	Type of Assurance
P1 E8	Number of days of accounts payable	Reasonable
P1 E9	Concentration of purchases & sales done with trading houses, dealers and related parties Loans and advances & investments with related parties	Reasonable
P3 E1c	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	Reasonable
P3 E11	Details of safety related incidents including lost time injury frequency rate, recordable work-related injuries, no. of fatalities	Reasonable
P5 E3b	Gross wages paid to females as % of wages paid	Reasonable
P5 E7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including complaints reported, complaints as a % of female employees and complaints upheld	Reasonable
P6 E1	Details of total energy consumption (in Joules or multiples)	Reasonable
P6 E1	Details of total energy intensity	Reasonable
P6 E3	Provide details of water withdrawal by source	Reasonable
P6 E3	Provide details of water consumption	Reasonable
P6 E4	Provide details of water discharged	Reasonable
P6 E6	Details of Air Emissions (Other than GHG emissions)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 1)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 2)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2) intensity	Reasonable
P6 E9	Provide details related to waste generated by category of waste	Reasonable
P6 E9	Provide details related to waste recovered through recycling, re-using or other recovery operations	Reasonable
P6 E9	Provide details related to waste disposed by nature of disposal method	Reasonable
P8 E4	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	Reasonable
P8 E5	Job creation in smaller towns	Reasonable
P9 E7	Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events	Reasonable

INDEPENDENT AUDITOR'S REPORT

To The Members of APL Apollo Tubes Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of APL Apollo Tubes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the

standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report (hereinafter referred to as "Other Information"), but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including

Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its

directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 37 (a) to the standalone financial statements);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses (Refer Note 37 (b) (4) to the standalone financial statements);
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company (Refer Note 37 (c) to the standalone financial statements);
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 47 (f) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 47 (g) to the standalone financial statements).

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- (b) As stated in note 47 (n) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. (Refer Note 47 (e) to the standalone financial statements).

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

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

For DELOITTE HASKINS & SELLS LLP

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

JITENDRA AGARWAL

(Partner)
(Membership No. 87104)
(UDIN: 24087104BKCUDX1944)

Place: Noida

Date: May 11, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (F) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **APL Apollo Tubes Limited** ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on "the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material

respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on “the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For DELOITTE HASKINS & SELLS LLP

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

JITENDRA AGARWAL

(Partner)

(Membership No. 87104)
(UDIN: 24087104BKCUDX1944)

Place: Noida

Date: May 11, 2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

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

- (i) (a) In respect of Company's property, plant and equipment, capital work in progress, investment property and right of use assets:
- A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment property and relevant details of right of use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of property, plant and equipment, capital work-in-progress, investment property and right of use assets so to cover all items once in every two years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, all property, plant and equipment were due for verification during the year and were physically verified by the Management subsequent to year end. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment, capital work in progress and investment property are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company based on the confirmations directly received by us from lenders / custodians. In respect of immovable properties that have been taken on lease and disclosed in the standalone financial statements as right of use asset, as at the balance sheet date, the lease agreements are duly executed in favour of the Company, except for the following:

(Amount ₹ in Crore)

Description of immovable properties	As at March 31, 2024		Held in name of	Whether Promoter, director or their relative or employee	Period Held	Reason for not being held in the name of the Company
	Gross Carrying Value	Net Carrying Value				
Leasehold land (included under Right of Use assets) and building (included under property, plant and equipment) located at Murbad, Maharashtra admeasuring 37,800 Sq. ft	2.91	1.03	Llyod Line Pipe Limited	No	From appointed date as per the approved scheme	The conveyance deed is in the name of erstwhile Company that was merged with the Company under Section 230 and Section 232 of the Companies Act, 2013 in terms of the approval of the Honourable National Company Law Tribunal, Principal bench, New Delhi. (Refer note 2 (a) and 2 (d) of the standalone Financial Statements)



Description of immovable properties	As at March 31, 2024		Held in name of	Whether Promoter, director or their relative or employee	Period Held	Reason for not being held in the name of the Company
	Gross Carrying Value	Net Carrying Value				
Freehold Land included under property, plant and equipment located at Dujana, Uttar Pradesh admeasuring 25,210 sq. meters	9.06	9.06	Potential Investments and Finance Limited	No	From appointed date as per the approved scheme	The Title deeds is in the name of Potential Investments and Finance Limited (name change to Best Steel Logistics Limited), erstwhile name of Apollo Tricoat Tubes Limited, which was merged with the Company under Section 230 and Section 232 of the Companies Act, 2013 in terms of the approval of the Honourable National Company Law Tribunal, Principle bench, New Delhi. (Refer note 2(a) of the standalone financial statements.
Freehold Land and Building included under property, plant and equipment located at Bengaluru, Karnataka admeasuring 229,505 Sq. ft.	22.44	17.06	Shri Lakshmi Metal Udyog Limited	No	From appointed date as per the approved scheme	The Title deeds is in the name of erstwhile Company that was merged with the Company under Section 230 and Section 232 of the Companies Act, 2013 in terms of the approval of the Honourable National Company Law Tribunal, Principle bench, New Delhi. (Refer note 2(a) of the standalone financial statements.
Leasehold Land included under Right of use assets located at Malur, Karnataka admeasuring 52,611 sq. meters	21.39	20.53	Best Steel Logistics Limited	No	From appointed date as per the approved scheme	The title deed is in the name of Best Steel Logistics Limited, erstwhile name of Apollo Tricoat Tubes Limited, which was merged with the Company under Section 230 and Section 232 of the Companies Act, 2013 in terms of the approval of the Honourable National Company Law Tribunal, Principal bench, New Delhi (Refer note 2 (d) of the standalone Financial Statements)

- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventories (other than inventories in transit) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Inventories in transit, were verified by the management based on the subsequent delivery challans. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising statement of stock position filed by the Company with such banks or financial institutions are in agreement with unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which
- (a) The Company has provided loans and stood guarantee during the year and details of which are given below:

(Amount ₹ in crore)

	Loans	Advances in nature of loans	Guarantees
A. Aggregate amount granted/ provided during the year:			
- Subsidiaries	560.35	-	289.05
- Others	-	0.62	-
B. Balance outstanding as at balance sheet date in respect of the above cases*:			
- Subsidiaries	111.08	-	1,482.05
- Others	-	1.31	-

*The amount reported are at gross amounts (Refer note 37(b)(3) and note 40 to the standalone financial statements for guarantees and loans provided and outstanding from subsidiaries).

- (b) The investments made and the terms and conditions of the grant of all the above mentioned loans and guarantees provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amount which are deemed to be deposits during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities. We have been informed that the provisions of Service Tax, Sales tax, duty of Excise and Value Added Tax are not applicable to the Company. Also refer to the note 37 (a) (ii) to the standalone financial statements regarding management assessment on certain matters relating to the provident fund.

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

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

(Amount ₹ in Crore)					
Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (net of payment)	Amount paid under protest
Uttar Pradesh Value Added Tax Act 2008	Value Added Tax	High Court of Allahabad	2007-2008	0.61	-
		Additional Commissioner (Appeals), Commercial Tax	2014-2015 2015-2016 and 2016-2017	4.84	0.33
Goods and Service Tax Act, 2017	Goods and Services Tax	State Tax Officer, Hosur	2017-2018 2018-2019 2020-2021 and 2021-2022	0.56	-
		Commercial Tax Officer, Bangalore	2018-2019	0.42	-
		Assistant Commissioner, Raipur	2017-2018	0.33	0.03
Central Excise Act, 1944	Excise Duty	High Court of Allahabad	1996-1997	0.77	0.04
		Tribunal, Mumbai	2006-2007 and 2007-2008	4.55	0.17
Income Tax Act, 1961	Income Tax	Commissioner of Income-tax (Appeals)	2017-2018 2018-2019 2020-2021 and 2021-2022	4.46	1.26

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purpose for which loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year covering specific processes scoped in the review as per Internal Audit Plan covering period upto March 2024 for the period under the audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial

liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) As set out in the note 47 (b) of the financial statements, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For DELOITTE HASKINS & SELLS LLP

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

JITENDRA AGARWAL

(Partner)
(Membership No. 87104)
(UDIN: 24087104BKCUDX1944)

Place: Noida

Date: May 11, 2024

Standalone Balance Sheet as at March 31, 2024

(₹ in crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2(a)	1,198.22	1,280.02
(b) Capital work-in-progress	2(b)	116.82	36.23
(c) Investment property	2(c)	62.51	62.51
(d) Right of use assets	2(d)	37.00	37.58
(e) Goodwill	2(e)	137.50	137.50
(f) Intangible assets	2(f)	2.47	1.22
(g) Investment in subsidiaries	3(a)	1,339.68	954.48
(h) Financial assets			
(i) Investments	3(b), 3(c) & 3(d)	5.21	6.23
(ii) Loans	4	111.36	347.45
(iii) Other financial assets	5	12.36	22.26
(i) Non-current tax assets (net)	6	6.08	4.62
(j) Other non-current assets	7	90.20	65.48
Total non-current assets		3,119.41	2,955.58
(2) Current assets			
(a) Inventories	8	993.92	1,057.54
(b) Financial assets			
(i) Trade receivables	9	24.11	104.29
(ii) Cash and cash equivalents	10	71.65	115.77
(iii) Bank balance other than (ii) above	11	1.52	139.89
(iv) Loans	12	1.03	1.20
(v) Other financial assets	13	298.26	24.49
(c) Other current assets	14	79.91	85.94
		1,470.40	1,529.12
Assets classified as held for sale	2(g)	-	19.27
Total current assets		1,470.40	1,548.39
Total Assets		4,589.81	4,503.97
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15(a)	55.51	55.47
(b) Other equity	15(b)	2,833.88	2,515.48
Total equity		2,889.39	2,570.95
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	35.37	64.62
(ii) Other financial liabilities	17	0.35	0.50
(b) Provisions	18	19.21	16.89
(c) Deferred tax liabilities (net)	19	105.68	103.34
(d) Other non-current liabilities	20	72.43	77.56
Total non-current liabilities		233.04	262.91
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	94.86	333.96
(ia) Lease liabilities	2(c)	-	0.09
(ii) Trade payables			
- total outstanding dues of micro and small enterprises	22	11.39	11.34
- total outstanding dues other than micro and small enterprises	22	1,285.05	1,253.66
(iii) Other financial liabilities	23	14.65	6.60
(b) Other current liabilities	24	45.81	48.47
(c) Provisions	25	0.69	0.91
(d) Current tax liabilities (net)	26	14.93	15.08
Total current liabilities		1,467.38	1,670.11
Total Equity and Liabilities		4,589.81	4,503.97

See accompanying notes to the standalone financial statements

1-47

In terms of our report attached.
For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
Firm's Registration No. 117366W/W-100018

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN :03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Statement of Standalone Profit and Loss for the Year ended March 31, 2024 (₹ in crore)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	27	13,858.81	14,279.29
II Other income	28	56.67	41.91
III Total income (I +II)		13,915.48	14,321.20
IV Expenses			
(a) Cost of materials consumed	29	10,475.47	11,665.27
(b) Purchase of stock-in-trade		1,758.41	1,343.47
(c) Changes in inventories of finished goods, stock in trade, work-in-progress, rejection and scrap	30	138.79	(364.94)
(d) Employee benefits expense	31	151.49	148.90
(e) Finance costs	32	50.49	47.51
(f) Depreciation and amortisation expense	33	100.29	102.46
(g) Other expenses	34	628.91	689.36
Total expenses		13,303.85	13,632.03
V Profit before tax (III - IV)		611.63	689.17
VI Tax expense:			
(a) Current tax		156.06	173.61
(a) Income tax related to earlier years		(0.32)	-
(c) Deferred tax charge (net)	19	2.18	3.64
Total tax expense	41	157.92	177.25
VII Profit for the year (V-VI)		453.71	511.92
VIII Other comprehensive income for the year			
Add : (less) items that will not be reclassified to profit or loss			
(a) Remeasurements of post employment benefit obligation		0.64	(0.42)
(b) Income tax relating to above item		(0.16)	0.11
Other comprehensive income / (loss) for the year		0.48	(0.31)
IX Total comprehensive income for the year (VII+VIII)		454.19	511.61
X Earnings per equity share of ₹2 each			
(a) Basic (in ₹)	36	16.36	18.47
(b) Diluted (in ₹)	36	16.36	18.45

See accompanying notes to the standalone financial statements

1-47

In terms of our report attached.

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

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN : 03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Statement of Changes in Standalone Equity for the Year ended March 31, 2024

a) Equity share capital

(₹ in crore)

Particulars	Amount
Balance as at April 1, 2022	50.06
Changes during the year ended March 31, 2023	5.41
Balance as at March 31, 2023	55.47
Changes during the Year ended March 31, 2024	0.04
Balance as at March 31, 2024	55.51

b) Other equity

(₹ in crore)

Particulars	Reserves and surplus							Total
	Securities premium	General reserve	Capital Reserve	Capital Reserve on merger	Share capital pending allotment	Retained earnings	Share option outstanding account	
Balance as at April 1, 2022	400.98	39.47	13.68	28.23	5.37	1,604.11	1.57	2,093.41
Profit for the year ended March 31, 2023	-	-	-	-	-	511.92	-	511.92
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-	(0.31)	-	(0.31)
Total comprehensive income for the year	-	-	-	-	-	511.61	-	511.61
Allocations/Appropriations :								
Dividend paid	-	-	-	-	-	(87.60)	-	(87.60)
Other adjustment	-	-	-	-	-	0.51	-	0.51
Share option outstanding account	-	-	-	-	-	-	0.22	0.22
Share capital issued pursuant to merger to minority shareholders of Tricoat (see note 46)	-	-	-	-	(5.37)	-	-	(5.37)
Transfer to Securities premium	0.01	-	-	-	-	-	(0.01)	-
Securities premium on issue of shares	2.70	-	-	-	-	-	-	2.70
	2.71	-	-	-	(5.37)	(87.09)	0.21	(89.54)
Balance as at March 31, 2023	403.69	39.47	13.68	28.23	-	2,028.63	1.78	2,515.48
Profit for the Year ended March 31, 2024	-	-	-	-	-	453.71	-	453.71
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-	0.48	-	0.48
Total comprehensive income for the year	-	-	-	-	-	454.19	-	454.19

Statement of Changes in Standalone Equity for the Year ended March 31, 2024

b) Other equity (contd..)

Particulars	Reserves and surplus						Share option outstanding account	Total
	Securities premium	General reserve	Capital Reserve	Capital Reserve on merger	Share capital pending allotment	Retained earnings		
Allocations/Appropriations :								
Dividend paid	-	-	-	-	-	(138.67)	-	(138.67)
Share option outstanding account	-	-	-	-	-	-	0.13	0.13
Securities premium on issue of shares	4.66	-	-	-	-	-	(1.91)	2.75
	4.66	-	-	-	-	(138.67)	(1.78)	(135.79)
Balance as at March 31, 2024	408.35	39.47	13.68	28.23	-	2,344.15	-	2,833.88

See accompanying notes to the standalone financial statements 1-47

In terms of our report attached.

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

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN :03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Statement of Standalone Cash Flow for the Year ended March 31, 2024

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	611.63	689.17
Adjustments for:		
Depreciation and amortisation expense	100.29	102.46
Loss / (gain) on sale of property, plant and equipment (net)	(5.42)	0.11
Finance costs	50.49	47.51
Interest income on fixed deposits	(7.51)	(9.89)
Interest income on others	(24.20)	(11.69)
Share based expenses	0.13	0.25
Provision for slow moving inventory of spares & consumables	1.24	1.13
Bad debts written off	-	4.57
Allowance / (write back) for doubtful trade receivables (expected credit loss allowance)	0.91	0.94
(Gain) / loss on derivatives measured at fair value through profit & loss account	(1.27)	1.02
Net unrealized foreign exchange loss / (gain)	(2.08)	1.79
Export obligation deferred income amortisation	(4.29)	(3.95)
Interest subsidy benefit on borrowings for exports	(3.15)	(2.63)
Operating profit before working capital changes	716.77	820.79
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	62.38	(280.24)
Trade receivables	80.48	263.80
Current loans and other financial assets	(4.48)	(1.11)
Non-current loans and other financial assets	9.90	(1.31)
Other current assets	6.03	28.34
Other non-current assets	2.74	0.24
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	31.44	236.08
Other current liabilities	(4.94)	10.60
Other current financial liabilities	(0.34)	0.15
Other non current liabilities	(5.13)	7.78
Other non current financial liabilities	(0.14)	(0.35)
Provisions (current & non-current)	2.75	2.73
Cash generated from operations	897.46	1,087.50
Income tax (paid)	(157.35)	(171.70)
Net cash flow from operating activities (A)	740.11	915.80

Statement of Standalone Cash Flow for the Year ended March 31, 2024 (contd.)

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment (including capital advances)	(173.52)	(138.73)
Proceeds from sale of property, plant and equipment	85.08	18.65
Investment in other companies	(0.04)	(0.93)
Proceeds from sale of mutual funds and investment (net)	1.06	5.00
Loan repayment from subsidiary	280.00	-
Loan (given) to subsidiary	(43.92)	(347.03)
Investment in subsidiaries	(387.09)	(426.21)
Proceeds from sale of investment in subsidiaries	1.90	-
Proceeds / (investment) in fixed deposits (net)	(128.27)	39.87
Interest received		
- fixed deposits	12.80	4.63
- others	17.71	7.92
Net cash flow from / (used in) investing activities (B)	(334.29)	(836.83)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	12.23	17.14
(Repayment) of non-current borrowings	(62.90)	(67.35)
Proceeds from current borrowings (net)	-	108.45
(Repayment) of current borrowings (net)	(214.53)	-
Payment of dividend	(138.67)	(87.51)
Proceeds from issue of equity share capital	2.79	2.74
Payment on account of lease liabilities	(0.09)	(0.56)
Finance costs	(48.77)	(44.05)
Net cash flow (used in) financing activities (C)	(449.94)	(71.14)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(44.12)	7.83
Cash and cash equivalents at the beginning of the year	115.77	107.94
Cash and cash equivalents at the end of the year	71.65	115.77

See accompanying notes to the standalone financial statements

1-47

In terms of our report attached.

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

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN :03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Notes to the Standalone Financial Statements for the year ended March 31, 2024

1(i) Company background

APL Apollo Tubes Limited ("the Company") is a public limited company incorporated in India on 24 February 1986 having CIN : L74899DL1986PLC023443 with its registered office at 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in the business of production of ERW steel tubes. The Company has eight manufacturing units one each at i) Sikanderabad, Uttar Pradesh, ii) Hosur, Tamilnadu, iii) Raipur, Chhattisgarh, iv) Murbad, Maharashtra, v) Chegunta, Telangana, vi) Attebele, Karnataka, vii) Mallur, Karnataka and viii) Dujana, Uttar Pradesh.

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

1(ii) Material accounting policies

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

(a) Statement of compliance

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

(b) Basis of Preparation

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction

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

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

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

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

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

(c) Use of estimates and critical accounting judgements

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

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

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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Deferred income tax assets and liabilities & Income Taxes

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

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

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

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

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

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

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

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its

long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of derivative and other financial instruments

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

(d) Operating cycle

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

(e) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(f) Revenue recognition

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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(i) Sale of goods

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

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

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

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

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

(ii) Interest Income

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

(iii) Commission Income

Commission income is recognised when the services are rendered.

(iv) Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(g) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in the Statement of profit or loss on a systematic basis over the expected useful life of the related assets.

The grant which is received to compensate the import cost of assets subject to an export obligation as prescribed in the export promotion capital goods scheme is recognised as income in the statement of profit and loss linked to fulfilment of associated export obligations.

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

(h) Income tax

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

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

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred 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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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

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

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

(i) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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

(k) Cash and cash equivalents and Cash Flow Statement

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

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

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

(l) Inventories

Raw materials, work in progress, stores, traded and finished goods

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

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

Rejection and scrap

Rejection and scrap are valued at net realisable value.

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

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

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

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

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

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

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of 3 years.

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

Capital work-in-progress

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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Depreciation methods, estimated useful lives and residual value

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

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

- (a) Buildings- 10 to 60 years
- (b) Plant and machinery used in manufacturing of pipe 10-20 years
- (c) Other plant and machinery- 2 to 10 years
- (d) Vehicles- 5 years
- (e) Furniture and fixtures- 10 years
- (f) Office equipment- 2-5 years
- (g) Computer & server- 3-6 years

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

(n) Intangible assets

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

- (a) Computer software - 3 to 6 years

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

(o) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's

estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(p) Earnings per share

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

(q) 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.

(r) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not

Notes to the Standalone Financial Statements for the year ended March 31, 2024

probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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

(s) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Rental income from leasing out of investment property is recognized on a straight line basis over the lease term, based on the total of the contractual payments divided by the number of months of the lease.

(t) Employee benefits

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

(i) Short-term obligations

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

The cost of short-term compensated absences is

accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

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

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

(iii) Post-employment obligations

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

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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

unrecognised past service cost, as reduced by fair value of plan assets (being the funded portion).

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

(u) Borrowings

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

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

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

(v) 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.

(w) 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.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Equity instruments

The equity instruments can be classified as:

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

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

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Debt instruments

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

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

Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value

through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

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

Investment in equity shares

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

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

The Company has equity investments in two entities which are not held for trading. The Company has elected the FVTOCI irrevocable option for both of these investments (see note 3(b)). Fair value is determined in the manner described in note 43.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its

Notes to the Standalone Financial Statements for the year ended March 31, 2024

assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Company determines whether there has been a significant increase in credit risk.

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

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

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

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

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

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

B. Financial Liabilities

(i) Classification

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

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(ii) Measurement

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

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost :

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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.

(x) 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.

(y) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(z) Segment information

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

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

1(iii) Recent Accounting Developments

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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

2(a) : Property, Plant and Equipment

(₹ in crore)

	As at March 31, 2024	As at March 31, 2023
Carrying amounts of :		
Freehold land	72.48	72.48
Building	239.41	243.73
Plant and machinery	868.57	943.06
Office equipments	2.23	2.68
Vehicles	10.00	11.73
Furniture and fixtures	3.34	4.24
Computers	2.19	2.11
	1,198.22	1,280.02

(₹ in crore)

	Freehold Land	Building	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Computers	Total
Cost / Deemed cost								
As at April 1, 2022	66.56	310.23	1,253.99	7.51	19.52	11.01	4.72	1,673.54
Additions	11.16	6.01	109.81	0.96	1.16	0.16	1.00	130.26
Sales / transfer during the year	-	(0.16)	(35.04)	(0.04)	(0.27)	-	-	(35.51)
Asset classified as held for sale (see note 2(g))	(5.24)	(16.08)	-	-	-	-	-	(21.32)
Balance at March 31, 2023	72.48	300.00	1,328.76	8.43	20.41	11.17	5.72	1,746.97
Additions	-	21.34	66.68	0.68	0.78	0.08	1.06	90.62
Sales/transfer during the year	-	(17.51)	(87.49)	(0.09)	(0.77)	(0.31)	(0.03)	(106.20)
Balance at March 31, 2024	72.48	303.83	1,307.95	9.02	20.42	10.94	6.75	1,731.39
Accumulated depreciation								
As at April 1, 2022	-	46.83	311.61	4.60	5.79	5.81	2.80	377.44
Elimination on disposal of assets	-	-	(8.72)	(0.01)	(0.25)	-	-	(8.98)
Asset classified as held for sale (see note 2(g))	-	(2.05)	-	-	-	-	-	(2.05)
Depreciation expense	-	11.49	82.81	1.16	3.15	1.12	0.81	100.54
Balance at March 31, 2023	-	56.27	385.70	5.75	8.69	6.93	3.61	466.95
Elimination on disposal of assets	-	(5.33)	(26.51)	(0.02)	(0.62)	(0.12)	(0.01)	(32.61)
Depreciation expense	-	13.48	80.19	1.06	2.35	0.79	0.96	98.83
Balance at March 31, 2024	-	64.42	439.38	6.79	10.42	7.60	4.56	533.17
Net carrying value								
Balance at March 31, 2023	72.48	243.73	943.06	2.68	11.73	4.24	2.11	1,280.02
Balance at March 31, 2024	72.48	239.41	868.57	2.23	10.00	3.34	2.19	1,198.22

Notes :-

(1) Property, plant and equipment as detailed in note 2(a) have been pledged as security for loans taken as at March 31, 2024. See note 16 & 21 for loans taken against which these assets are pledged.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(2) Below are the title deed of Immovable Property not held in the name of the Company

(i) Particulars	As at March 31, 2024	As at March 31, 2023
Relevant line items in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property [See note 2(d) (iii)]	Building	Building
Gross carrying value (₹ in crore)	1.47	1.47
Title deeds held in the name of	Llyod Line Pipes Limited	Llyod Line Pipes Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	23-Nov-08	23-Nov-08
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger	Pending transfer in name of the Company post merger
(ii) Particulars	As at March 31, 2024	As at March 31, 2023
Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Land at Dujana plant	Land at Dujana plant
Gross carrying amount (Amount in ₹ crore)	9.06	9.06
Title deeds held in the name of	Potential Investments and Finance Limited	Potential Investments and Finance Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	26-Dec-15	26-Dec-15
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger and name change	Pending transfer in name of the Company post merger and name change
Note : Potential Investments and Finance Limited is the erstwhile name of Apollo Tricoat Tubes Limited which was merged with the Company (See note 47).		
(iii) Particulars	As at March 31, 2024	As at March 31, 2023
Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Land & building at Attibele plant	Land & building at Attibele plant
Gross carrying amount (Amount in ₹ crore)	22.44	21.56
Title deeds held in the name of	Shri Lakshmi Metal Udyog Limited	Shri Lakshmi Metal Udyog Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	06-May-09	06-May-09
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger (see note 47)	Pending transfer in name of the Company post merger (see note 47)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

2(b) Capital work in progress (₹ in crore)

Particulars	Building	Plant and machinery	Total
As at April 1, 2022	3.07	49.30	52.37
Add : Additions during the year	6.15	93.53	99.68
Less : Transfer to property, plant and equipment (see note 2(a))	(6.01)	(109.81)	(115.82)
Closing balance as at March 31, 2023	3.21	33.02	36.23
Add : Additions during the year	34.70	133.90	168.60
Less : Transfer to property, plant and equipment (see note 2(a))	(21.34)	(66.68)	(88.01)
Closing balance as at March 31, 2024	16.57	100.25	116.82

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

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2024
Less than 1 year	103.25	-	103.25
1-2 years	7.10	-	7.10
2-3 years	0.13	-	0.13
More than 3 years	6.34	-	6.34
Total	116.82	-	116.82

(₹ in crore)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2023
Less than 1 year	17.89	-	17.89
1-2 years	11.74	-	11.74
2-3 years	0.18	6.34	6.52
More than 3 years	0.08	-	0.08
Total	29.89	6.34	36.23

2(c) Investment property (₹ in crore)

	Investment property
Cost / deemed cost	
As at April 1, 2022	62.51
Additions	-
Balance at March 31, 2023	62.51
Additions	-
Balance at March 31, 2024	62.51
Accumulated depreciation	
As at April 1, 2022	-
Charge for the year	-
Balance at March 31, 2023	-
Charge for the year	-
Balance at March 31, 2024	-
Net carrying value	
Balance at March 31, 2023	62.51
Balance at March 31, 2024	62.51

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Note :-

- (i) Term loan facilities & working capital facilities availed by wholly owned subsidiary company i.e. APL Apollo Building Products Private Limited are secured by first pari passu charge through equitable mortgage of the above investment property situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.
- (ii) Rental income on assets given on operating lease to subsidiary is ₹1.86 crore for the Year ended March 31, 2024 (March 31, 2023 : ₹1.86 crore).
- (iii) The future minimum lease payments receivable under operating leases in the aggregate and for each of the following periods :

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Minimum future lease payments receivable :		
a) not later than one year	1.86	1.86
b) later than one year but not later than five year	9.30	9.30
c) later than five year	47.58	49.44

- (iv) Investment property consist of freehold land situated at Sigma, Raipur, Chhattisgarh. The fair value of the investment property as at March 31, 2024 has been arrived at on the basis of a valuation carried out at that date by registered independent valuer not connected with the Company having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value was determined based on the market comparable approach that reflects recent transaction prices of similar properties. In estimating the fair value of the investment property, the highest and best use of the property is their current use."

The Company obtains independent valuation for its investment property at least annually and fair value measurements are categorized as level 3 (see note 42 (b)) measurement in the fair value hierarchy. Details of the investment property and information about the fair value hierarchy as at the end of the reporting period are as follows.

(₹ in crore)

Particulars	Level 2	Level 3	Fair value as at 31/03/2024
Freehold land in Raipur	-	78.66	78.66

(₹ in crore)

Particulars	Level 2	Level 3	Fair value as at 31/03/2023
Freehold land in Raipur	-	71.52	71.52

2(d) Right of use assets (ROU) and lease liabilities

(₹ in crore)

Particulars	Category of ROU Asset			Total
	Land	Building	Vehicle	
As at April 1, 2022	37.90	0.64	0.09	38.63
Additions	-	-	-	-
Amortisation	(0.50)	(0.55)	-	(1.05)
Balance as at March 31, 2023	37.40	0.09	0.09	37.58
Additions	-	-	-	-
Amortisation	(0.49)	(0.09)	-	(0.58)
Balance as at March 31, 2024	36.91	-	0.09	37.00

Notes to the Standalone Financial Statements for the year ended March 31, 2024

- (i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 44-90 years for land, 3 years for building and 3 years for vehicle. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of standalone Profit and Loss.
- (ii) ROU assets have been pledged as security for loans taken as at March 31, 2024. See note 16 & 21 for loans taken against which these assets are pledged (except Vehicle loan).
- (iii) ROU asset includes leasehold land located at Murbad, Maharashtra having gross carrying value of ₹1.44 crore (March 31, 2023 : ₹1.44 crore) (net carrying value of ₹1.03 crore as at March 31, 2024, March 31, 2023 : ₹1.05 crore), the title deeds of whose is in the name of Lloyd Line Pipe Limited (LLPL). LLPL was merged with the Company in earlier year under section 230 and section 232 of the Companies Act, 2013 in terms of approval of Hon'ble National Company Law Tribunal, Principal bench, New Delhi and the land is pending transfer in the name of the Company post merger. The Company is holding the property since September 26, 1994. [See note 2(i)]
- (iv) ROU asset includes leasehold land located at Malur, Karnataka having gross carrying value of ₹21.39 crore (March 31, 2023 : ₹21.39 crore) (net carrying value of ₹20.53 crore as at March 31, 2024, March 31, 2023 : ₹20.67 crore), the title deeds of whose is in the name of Best Steel Logistics Limited. Best Steel Logistics Limited is the erstwhile name of Apollo Tricoat Tubes Limited which has been merged with the Company. (See note 46)

- (v) The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023 :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liability	-	0.09
Non-current lease liability	-	-
Total	-	0.09

- (vi) The following is the movement in lease liabilities during the Year ended March 31, 2024 and March 31, 2023 :

((₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	0.09	0.65
Finance cost accrued during the year	0.01	0.03
Payment of lease liabilities	(0.10)	(0.59)
Balance at the end	-	0.09

- (vii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	-	0.09
One to five years	-	-
More than five years	-	-
Total	-	0.09

- (viii) 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.

- (ix) Rental expense recorded for short-term leases is ₹11.05 crore for the Year ended March 31, 2024 (March 31, 2023 : ₹4.99 crore).

Notes to the Standalone Financial Statements for the year ended March 31, 2024

2(e) Goodwill		(₹ in crore)
		Goodwill
As at April 1, 2022		137.50
Add : Addition		-
As at March 31, 2023		137.50
Add : Addition		-
As at March 31, 2024		137.50

Note :

Goodwill represents the difference between purchase consideration and the fair value of net assets acquired in past.

2(f) Intangible Assets		(₹ in crore)
		Computer Softwares
Cost / deemed cost		
As at April 1, 2022		6.57
Additions		0.63
Disposal		-
Balance at March 31, 2023		7.20
Additions		2.14
Disposal		-
Balance at March 31, 2024		9.34
Amortisation		
As at April 1, 2022		5.46
Amortisation expense		0.52
Elimination on disposal		-
Balance at March 31, 2023		5.98
Amortisation expense		0.89
Elimination on disposal		-
Balance at March 31, 2024		6.87
Net carrying value		
Balance at March 31, 2023		1.22
Balance at March 31, 2024		2.47

2(g) Asset classified as held for sale		(₹ in crore)
		Land
As at April 1, 2022		-
Addition during the year (net) (see note (ii) below)		19.27
Balance at March 31, 2023		19.27
Asset disposed off during the year		(19.27)
Balance at March 31, 2024		-

Note :

- (i) The Company in current year has sold off the assets classified as held for sale in previous year. These assets in previous year comprised of guest house and freehold land & building at Attebele, which it had no longer plans to utilise in next 12 months. The aggregate fair value in previous year was ₹15.00 crore and ₹9.00 crore for guest house and freehold land & building Attebele respectively. The valuation was performed by Government of India approved valuer. The fair value measurement categorised as a level 3 fair value based on the inputs of the valuation technique used. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market

Notes to the Standalone Financial Statements for the year ended March 31, 2024

observable data. No impairment loss was recognised in reclassification of the land and building as asset held for sale as the Directors of the Company, based on valuation report, expected that the fair value less cost to sell to be higher than the carrying amount.

The title deeds of Freehold land & building located Attebele, Karnataka included above had gross carrying value of ₹8.62 crore as at March 31, 2023 (net carrying value of ₹7.93 crore as at March 31, 2023). The title deeds were in the name of Best Steel Logistics Limited (erstwhile name of Apollo Tricoat Tubes Limited). Apollo Tricoat Tubes Limited was merged with the Company in the previous year under section 230 and section 232 of the Companies Act, 2013 in terms of approval of Hon'ble National Company Law Tribunal, Principal bench, New Delhi and the land was pending transfer in the name of the Company post merger. The Company was holding the property since October 14, 2016.

3. Investment (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
3(a) Investment in wholly owned subsidiaries - (unquoted, fully paid) :		
(i) 2,711,100 (March 31, 2023: 2,711,100) equity shares of ₹10 each fully paid up in Apollo Metalex Private Limited - at fair value (see note (i) below)	132.78	132.78
(ii) 56,570 (March 31, 2023: 44,150) equity shares of ₹10 each fully paid up in Blue Ocean Projects Private Limited - at cost (see note (ii) below)	150.30	115.06
(iii) Nil (March 31, 2023 : 1) equity share of AED 1,000,000 each fully paid up in APL Apollo Tubes FZE - at cost (see note (iii) below)	-	1.90
(iv) 65,000 (March 31, 2023 : 300) equity share of AED 1,000 each fully paid up in A P L Apollo Tubes Company L.L.C- at cost (see note (iv) below)	147.24	0.66
(v) 800,000,000 (March 31, 2023: 600,000,000) equity shares of ₹10 each fully paid up in APL Apollo Building Products Private Limited - at cost (see note (v) below)	800.00	600.00
(vi) 109,360,274 (March 31, 2023: 104,080,274) equity shares of ₹10 each fully paid up in APL Apollo Mart Limited - at cost (see note (vi) below)	109.36	104.08
Total	1,339.68	954.48

Notes :

- The Company in previous year ended March 31, 2018 measured its investment in subsidiary on the date of transition to Ind-AS (i.e. April 1, 2016) at its fair value and considered the same as its deemed cost. Accordingly the Company has recorded the investment in subsidiary at its fair value of ₹132.78 crore (original cost ₹7.21 crore).
- The Company has during the year invested ₹35.24 crore (March 31, 2023 : ₹57.23 crore) in Blue Ocean Projects Private Limited by subscribing to 12,420 equity shares of ₹10 each at a premium of ₹28,380.62 each (March 31, 2023 : 20,639 shares of ₹10 each at a premium of ₹27,715.28 each).
- The Company has during the year bought back 100% equity shares of ₹1.90 crore in APL Apollo Tubes FZE. The Subsidiary Company has been liquidated/winded up during the year.
- The Company has during the year invested ₹146.58 crore (March 31, 2023 : ₹0.66 crore) in A P L Apollo Tubes Company L.L.C. by subscribing to 64,700 equity shares of AED 1,000 each (March 31, 2023 : 300 equity shares of AED 1,000 each).
- The Company has during the year invested ₹200.00 crore (March 31, 2023 : ₹340.00 crore) in APL Apollo Building Products Private Limited by subscribing to 200,000,000 equity shares (March 31, 2023 : 340,000,000 equity share) of ₹10 each.
- The Company has during the year invested ₹5.28 crore (March 31, 2023 : ₹103.98 crore including ₹75.66 crore paid in eariler year to subscribe to 75,660,774 equity shares against which equity shares were allotted under right issue in previous year) in APL Apollo Mart Limited by subscribing to 5,280,000 shares of ₹10 each (March 31, 2023 : 103,980,274 equity shares of ₹10 each).

Notes to the Standalone Financial Statements for the year ended March 31, 2024

3(b) Investments in equity instruments carried at fair value through the other comprehensive income - (unquoted, fully paid):

Particulars	As at March 31, 2024	As at March 31, 2023
(i) 974,400 (March 31, 2023: 931,400) equity shares of ₹10 each fully paid up in Clover Energy Private Limited (see note (i) below)	0.97	0.93
(ii) 126,000 (March 31, 2023: 126,000) equity shares of ₹10 each fully paid up in AMPSOLAR Urja Private Limited (see note (ii) below)	0.13	0.13
(iii) 2,900,000 (March 31, 2023: 2,900,000) equity shares of ₹10 each fully paid up in Radiance Ka Sunrise Two Private Limited (see note (iii) below)	2.90	2.90
(iv) 75,000 (March 31, 2023: 75,000) equity shares of ₹10 each fully paid up in APL Apollo Foundation (see note (iv) below)	0.08	0.08
Sub Total	4.08	4.04

Notes :

- The Company holds 3.50% (March 31, 2023 : 3.35%) equity shares of Clover Energy Private Limited, a Company engaged in the business of providing solar energy to its customers.
- The Company holds 3.10% (March 31, 2023 : 3.91%) equity shares of AMPSOLAR Urja Private Limited, a Company engaged in the business of providing solar energy to its customers.
- The Company holds 26.00% (March 31, 2023 : 26.00%) equity shares of Radiance Ka Sunrise Two Private Limited, a Company engaged in the business of providing solar energy to its customers.
- The Company had in previous year invested ₹0.08 crore in APL Apollo Foundation ('Foundation'), a Company registered under section 8 of the Companies Act, 2013. The Company was incorporated on April 19, 2022 and the purpose of the Foundation is to undertake CSR activities. As at March 31, 2024, the Company holds 50.00% (March 31, 2023 : 50%) equity shares of the Foundation.
- All these investments being strategic in nature are measured at fair value through other comprehensive income (OCI) since these are not held for trading purposes and thus disclosing its fair value fluctuation in profit and loss account will not reflect the purpose of holding. No dividend has been received from such investments during the year.

3(c) Investments in equity instruments carried at fair value through profit and loss account - (quoted, fully paid) (₹ in crore)

(i) Particulars	As at March 31, 2024	As at March 31, 2023
Investment in mutual fund of Union Hybrid Equity Fund - regular plan growth (Nil Units) (March 31, 2023 : 1,099,925 units at NAV of ₹9.64 per unit)	-	1.06
Sub Total	-	1.06

3(d) Investments in compulsory convertible debentures carried at cost - (unquoted, fully paid) : (₹ in crore)

(ii) Particulars	As at March 31, 2024	As at March 31, 2023
11,340 (March 31, 2023: 11,340) compulsory convertible debentures of ₹1,000 each fully paid up in AMPSOLAR Urja Private Limited	1.13	1.13
Sub Total	1.13	1.13
Total (3(b) + 3(c) + 3(d))	5.21	6.23

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(ii) Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate carrying value / book value of unquoted investment	1,344.88	959.64
Aggregate carrying value / book value of quoted investment	-	1.06
Market value of quoted investment	-	1.06

4 Loans (Non-current) (₹ in crore)

(Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loans to subsidiary companies (see notes below)	111.08	347.18
(b) Loans & advances to employees	0.28	0.27
Total	111.36	347.45

Note :

- (i) During current year, the Company has given loan of ₹165.00 crores (₹280.00 crores during the year ended March 31, 2023) carrying interest 8.00 % p.a. to a wholly owned subsidiary viz. APL Apollo Building Products Private Limited for the purpose of meeting its operational and capital requirements. The loan is repayable upto 5 years as and when funds are available with APL Apollo Building Products Private Limited. The loan was fully repaid during the year. The maximum amount outstanding during the year was ₹445.00 crore (March 31, 2023 : ₹280.00 crore).
- (ii) During the year, the Company has given a loan of AED 10,000,000 (Equivalent ₹22.40 crores) (March 31, 2023 : AED 30,000,000, Equivalent ₹67.18 crore) carrying interest 8.00 % p.a. to a wholly owned subsidiary viz. A P L Apollo Tubes Company L.L.C. for the purpose of meeting its capital expenditure requirements. The loan is repayable upto 5 years as and when funds are available with A P L Apollo Tubes Company L.L.C. The maximum amount outstanding during the year was ₹90.88 crore (March 31, 2023 : 67.18 crore).
- (iii) During the year, the Company has given a loan of ₹20.20 crores carrying interest 8.00 % p.a. to a wholly owned subsidiary viz. Blue Ocean Projects Private Limited for the purpose of meeting its capital expenditure requirements. The loan is repayable upto 5 years as and when funds are available with Blue Ocean Projects Private Limited. The maximum amount outstanding during the year was ₹20.20 crore.

5 Other financial assets (Non-current) (₹ in crore)

(Unsecured, considered good, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Claim receivable	0.60	0.54
Less : Provision created for doubtful claims receivable	0.27	0.27
	0.33	0.27
(b) Security deposit	12.01	21.97
(c) Balance in margin money with maturity of more than 12 months	0.02	0.02
Total	12.36	22.26

Notes to the Standalone Financial Statements for the year ended March 31, 2024

6 Non-current tax assets (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Advance income tax (net of provision of ₹228.72 crore) (As at March 31, 2023 : ₹102.94 crore)	6.08	4.62
Total	6.08	4.62

7 Other non-current assets

(Unsecured, considered good, unless otherwise stated)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Capital advances	87.37	59.90
(b) Prepaid expenses	0.07	2.36
(c) Value added tax (VAT) credit receivable	-	0.44
(d) Income tax deposit refundable	0.92	0.92
(e) Payment under protest (see note below)		
(i) Excise duty	0.21	0.21
(ii) Value added tax	0.33	0.39
(iii) Goods and service tax	0.03	
(iv) Income tax	1.26	1.26
Total	90.20	65.48

Note :

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

8 Inventories

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Raw material (including stock-in-transit)	290.81	215.26
(b) Finished goods (including stock-in-transit)	475.68	570.69
(c) Stock in trade	6.82	4.37
(d) Work in progress	141.17	210.02
(e) Stores and spares (including stock-in-transit)	23.08	23.47
(f) Rejection and scrap	56.35	33.73
Total	993.92	1,057.54

Notes :

(i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to ₹12,443.95 crore (March 31, 2023 : ₹12,725.20 crore).

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material	-	1.94
Finished goods	44.18	43.12
Stores and spares	-	0.35
(iii) Provision for slow moving inventory of stores & spares.	1.24	4.34
(iv) The mode of valuation of inventories has been stated in note 1(ii)(m) of material accounting policies.		
(v) Inventories have been pledged as security towards Company's borrowings from banks.		

9 Trade receivables (Current)

(Unsecured) (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good		
(i) Related parties	15.16	5.27
(ii) Other than related parties	8.95	99.02
Sub total	24.11	104.29
(b) Considered doubtful (other than related parties)	3.03	2.12
Less: Allowance for trade receivables (expected credit loss allowance)	(3.03)	(2.12)
Sub total	-	-
Total	24.11	104.29

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

(₹ in crore)

Particulars	As at March 31, 2024
Customer C	15.16
Customer D	3.76
	18.92
% of total trade receivables	78.46%

Particulars	As at March 31, 2023
Customer A	19.46
Customer B	18.60
	38.06
% of total trade receivables	36.50%

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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

(1) **Movements in expected credit loss is as below :**

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	2.12	5.75
Provison in statement of profit and loss	0.91	0.94
Utilised during the year	-	(4.57)
Balance at the end of the year	3.03	2.12

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

(₹ in crore)

Particulars	As at March 31, 2024						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed trade receivables - considered good	6.54	14.24	3.33	-	-	-	24.11
(b) Undisputed trade receivables - credit impaired	0.14	1.20	0.44	1.26	-	-	3.03
	6.68	15.44	3.77	1.26	-	-	27.14
Less : Allowance for credit losses							3.03
Net trade receivables							24.11

(₹ in crore)

Particulars	As at March 31, 2023						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed trade receivables - considered good	96.08	8.20	0.01	-	-	-	104.29
(b) Undisputed trade receivables - credit impaired	0.26	0.45	1.20	-	-	0.21	2.12
	96.34	8.65	1.21	-	-	0.21	106.41
Less : Allowance for credit losses							2.12
Net trade receivables							104.29

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(3) Ageing wise % of expected credit loss (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Not yet due	0.00 % to 0.92 %	0.00 % to 0.28 %
Less than six months	0.93 % to 7.77 %	0.29 % to 5.25 %
6 months- 1 year	7.78 % to 11.67 %	5.26 % to 99.13 %
1-2 years	100.00%	100.00%
2-3 years	100.00%	100.00%
More than 3 years	100.00%	100.00%

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

Note :

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

10 Cash and cash equivalents (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Cash on hand	0.14	0.14
(b) Balances with banks - in current accounts	0.13	1.26
(c) Balances with banks - in cash credit accounts (see note 21)	66.49	114.37
(d) In fixed deposits with maturity of less than 3 months at inception	4.89	-
Total	71.65	115.77

11 Bank balances other than cash and cash equivalents (₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) In earmarked accounts		
(i) unpaid dividend account	0.44	0.56
(ii) Escrow account (see note 47 (b))	1.08	2.34
(iii) In fixed deposits with maturity of more than 3 months and less than 12 months at inception	-	10.75
(iv) In margin money with maturity of more than 3 months and less than 12 months at inception (see note below)	-	126.24
Total	1.52	139.89

12 Loans (Current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loans & advances to employees	1.03	1.20
Total	1.03	1.20

Notes to the Standalone Financial Statements for the year ended March 31, 2024

13 Other financial assets (Current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Interest accrued but not due on fixed deposits	3.45	8.74
(b) Interest accrued and due on loans given	10.25	3.77
(c) Security Deposit	0.01	0.01
(d) Derivative assets (net)	-	1.27
(e) Export incentives receivable	0.06	0.25
(f) Claim receivables	17.84	10.45
(g) In fixed deposits with bank original maturity more than 12 months (see note below)	266.65	-
Total	298.26	24.49

Note

Fixed deposits of ₹251.64 crores (March 31, 2023 : ₹Nil) are pledged as security towards credit facilities availed from banks. As at year end March 31, 2024, no borrowings were outstanding against the fixed deposits pledged as security.

14 Other current assets

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Advance to suppliers	32.90	42.66
Less : Provision for doubtful advances	0.56	0.56
Net advance to suppliers	32.34	42.10
(b) Balances with government authorities		
(i) Goods and services tax (GST) credit receivable	44.91	41.02
(ii) Advance goods and service tax credit on import of goods	0.55	0.59
(c) Prepaid expenses	2.11	2.23
Total	79.91	85.94

Notes to the Standalone Financial Statements for the year ended March 31, 2024

15 Equity

15(a) Equity share capital

(₹ in Crore, except otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorised capital				
Equity shares of ₹2 each (March 31, 2023 : ₹2 each)	48,50,00,000	97.00	48,50,00,000	97.00
	48,50,00,000	97.00	48,50,00,000	97.00
Issued capital				
Equity shares of ₹2 each (March 31, 2023 : ₹2 each)	27,75,24,564	55.51	27,73,30,814	55.47
	27,75,24,564	55.51	27,73,30,814	55.47
Subscribed and fully paid up capital				
Equity shares of ₹2 each (March 31, 2023 : ₹2 each)	27,75,24,564	55.51	27,73,30,814	55.47
	27,75,24,564	55.51	27,73,30,814	55.47

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

Particulars	Number of shares		Amount (₹ in Crore)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Equity share capital				
Outstanding at the beginning of the year	27,73,30,814	25,02,80,500	55.47	50.06
Add: Issue of shares under Company's employee stock option plan (see note 39(d))	1,93,750	1,90,314	0.04	0.04
Add: Issue of shares to minority shareholders of Tricoat under merger scheme (see note 46)	-	2,68,60,000	-	5.37
Outstanding at the end of the year	27,75,24,564	27,73,30,814	55.51	55.47

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

The Company has one class of equity shares having a par value of ₹2 each (March 31, 2023 : ₹2 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Infrastructure Private Limited	7,68,60,062	27.69%	7,80,00,000	28.13%
Kitara PIIN 1001	1,83,29,179	6.60%	1,86,33,768	6.72%
SmallCap World Fund INC	1,50,00,735	5.41%	1,57,82,000	5.69%

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

Name of promoter	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
APL Infrastructure Private Limited	7,68,60,062	27.69%	7,80,00,000	28.13%
Sanjay Gupta	4,535	0.00%	3,50,000	0.13%
Veera Gupta	48,43,882	1.75%	54,20,000	1.95%
Rahul Gupta	-	-	15,01,000	0.54%
Rohan Gupta	-	-	11,25,000	0.41%
Total	8,17,08,479	29.44%	8,63,96,000	31.16%

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

Name of promoter	Increase / (decrease) in sharholding (Year ended March 31, 2024)	Increase / (decrease) in sharholding (Year ended March 31, 2023)
APL Infrastructure Private Limited	(0.43)%	(3.04)%
Sanjay Gupta	(0.12)%	(0.01)%
Veera Gupta	(0.21)%	(0.21)%
Rahul Gupta	(0.54)%	(0.06)%
Rohan Gupta	(0.41)%	(0.04)%

(vi) Share options granted under the Company's employee share options plans

As at March 31, 2024, executives and senior employees held Nil options over equity shares of the Company. (March 31, 2023 : 193,750 equity shares of ₹2 each). Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in note 39.

(vii) The Board of Directors of APL Apollo Tubes Limited ('Company') in its meeting held on August 6, 2021 had recommended for approval by shareholders, bonus issue of 1 (one) equity share of ₹2 each for every 1 (one) equity shares of ₹2 each held by shareholders of the Company as on the record date, subject to approval of the shareholders.

Pursuant to the approval of the shareholders through postal ballot (including remote e-voting), the Company allotted 124,896,000 bonus equity shares of ₹2 each as fully paid-up bonus equity shares, in the proportion of 1 (One) equity share of ₹2 each for every 1 (One) existing equity shares of ₹2 each to the equity shareholders of the Company as on record date of September 18, 2021. Consequently, the Company capitalised a sum of ₹24.98 crore from 'other equity' to 'equity share capital' in earlier year.

The earning per share was adjusted for bonus issue for previous years presented.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

15(b) Other equity

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	408.35	403.69
General reserve	39.47	39.47
Capital Reserve	41.91	41.91
Retained earnings	2,344.15	2,028.63
Share option outstanding account	-	1.78
Total	2,833.88	2,515.48
(1) Securities premium		
Balance at the beginning of the year	403.69	400.98
Add: On issue of shares under Company's employee stock option plan	4.66	2.71
Balance at the end of the year	408.35	403.69
(2) General reserve		
Balance at the beginning of the year	39.47	39.47
Balance at the end of the year	39.47	39.47
(3) Capital reserve		
Balance at the beginning of the year	41.91	41.91
Balance at the end of the year	41.91	41.91
(4) Share capital pending allotment		
Balance at the beginning of the year	-	5.37
Less: Share capital issued during the year to minority shareholders of Tricoat (see note 46)	-	(5.37)
Balance at the end of the year	-	-
(5) Retained earnings		
Balance at the beginning of the year	2,028.63	1,604.11
Add: Other adjustment	-	0.51
Add: Total comprehensive income for the year	454.19	511.61
Less: Dividend paid	(138.67)	(87.60)
Balance at the end of the year	2,344.15	2,028.63
(6) Share option outstanding account		
Balance at the beginning of the year	1.78	1.57
Add: Addition during the year	0.13	0.22
Less: Transfer to Securities premium reserve	(1.91)	(0.01)
Balance at the end of the year	-	1.78

Nature and purpose of reserves :-

- (i) **Securities premium** : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the Companies Act).
- (ii) **General reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. General reserves represents the free profits of the Company available for distribution. As per the Companies Act, certain amount was required to be transferred to General Reserve every time Company distribute dividend. General reserve is not an item of OCI, items included in the general reserve will not be reclassified to profit or loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

- (iii) **Capital reserve** : The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as capital reserve. The reserve is not available for distribution.
- (iv) **Retained earnings** : It represents unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.
- (v) **Share option outstanding account** : The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share option outstanding account is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme. (see note 39)

16 Borrowings (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Term Loan:		
- From banks		
(i) Secured (see note (i) below)	9.16	47.48
(b) Interest free loan		
- From others		
(i) Unsecured (see note (iii) below)	26.21	17.14
Total	35.37	64.62

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrow- ings	Current borrow- ings	Non current borrow- ings	Current borrow- ings
(i) Term loan from banks are secured as follows:				
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibeale, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibeale, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.	-	8.34	8.34	11.11
The loan outstanding is repayable in 3 quarterly instalments payable from April 2024 and ending in October 2024. Applicable rate of interest is 8.78 % (March 31, 2023 : 8.78%).				

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
<p>Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel guarantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.</p> <p>The loan outstanding is repayable in 3 quarterly instalments payable from April 2024 and ending in October 2024. Applicable rate of interest is 8.78 % (March 31, 2023 : 8.78%)</p>	-	16.67	16.67	22.22
<p>Term Loan facilities were secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel guarantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.</p> <p>The loan outstanding as at March 31, 2023 was repayable in 3 quarterly instalments payable from June 2023 and ending in December 2023. Applicable rate of interest was 4.15%. During the year, loan has been repaid. Closing balance of loan as on March 31, 2024 is Nil (March 31, 2023 : USD 4,603,002) equivalent to ₹16.23 crore.</p>	-	-	-	16.23

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrow- ings	Current borrow- ings	Non current borrow- ings	Current borrow- ings
<p>Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Banglore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Banglore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka.</p> <p>Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel guarantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.</p> <p>The loan outstanding is repayable in 3 equal half yearly installments payable from May 2024 and ending in May 2025. Applicable rate of interest is 8.78% p.a. (March 31, 2023: 8.78% p.a.)</p>	1.66	3.30	4.97	3.30
<p>Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Banglore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Banglore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka.</p> <p>Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel guarantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.</p> <p>The loan outstanding is repayable in 7 equal half yearly installments payable from June 2024 and ending in December 2025. Applicable Rate of Interest is 8.78% p.a. (March 31, 2023: 8.78% p.a.)</p>	7.50	10.00	17.50	10.00

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrow- ings	Current borrow- ings	Non current borrow- ings	Current borrow- ings
(ii) Vehicle loan from bank				
Vehicle Loan was secured by way of hypothecation of respective vehicle and repayable in 36 monthly installments commencing from February 2021. As on March 31, 2024 there is no loan outstanding. Applicable rate of interest as at March 31, 2023 was 7.75% p.a.	-	-	-	0.02
(iii) Interest free loan from government				
The Company during the year has received interest free loan of ₹12.23 crores (March 31, 2023 : ₹26.45 crore) from government repayable in financial year 2028-2029. Using prevailing market interest rates for an equivalent loan of 7.50% (March 31, 2023 : 7.50%) in the year of grant, the fair value of loan is estimated at ₹7.37 crore (As at March 31, 2023 : 15.94). The difference of ₹4.86 crore (As at March 31, 2023 : ₹10.51) between the gross proceeds and the fair value of the loan is recognised as deferred income. (see note 20)	26.21	-	17.14	-
Total	35.37	38.31	64.62	62.88

17 Other financial liabilities (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred payment (see note below)	0.35	0.50
Total	0.35	0.50

Note :

The Company has deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan was estimated at ₹0.56 crore as on March 31, 2024 (March 31, 2023 : ₹0.71 crore). The difference of ₹0.08 crore (March 31, 2023 : ₹0.14 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income. (See note 20, 23 & 24)

18 Provisions (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	6.44	5.93
(b) Provision for gratuity (see note 38)	12.77	10.96
Total	19.21	16.89

Notes to the Standalone Financial Statements for the year ended March 31, 2024

19 Deferred Tax Liabilities (net)

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

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Deferred Tax Liabilities on account of		
- Property, plant and equipments and other intangible assets	112.42	109.25
- Others	-	0.20
Total deferred tax liabilities (A)	112.42	109.45
(ii) Deferred Tax Assets on account of		
- Provision for employee benefit expenses	5.97	5.55
- Allowance for expected credit loss	0.76	0.53
- Others	-	0.03
Total deferred tax assets (B)	6.73	6.11
Disclosed as Deferred Tax Liabilities (Net - A-B)	105.68	103.34

(b) Movement in deferred tax liabilities / asset	As at April 1, 2022	Inter Company elimination pursuant to merger	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Liabilities (A)					
Property, plant and equipments and other intangible assets	104.81	0.59	3.85	-	109.25
Others	0.44	-	(0.24)	-	0.20
Total	105.25	0.59	3.61	-	109.45
Deferred Tax Assets (B)					
Provision for employee benefit expenses	4.55	-	0.89	0.11	5.55
Allowance for expected credit loss	1.45	-	(0.92)	-	0.53
Others	0.03	-	-	-	0.03
Total	6.03	-	(0.03)	0.11	6.11
Deferred tax liabilities (Net - A-B)	99.22	0.59	3.64	(0.11)	103.34
Movement in deferred tax liabilities / asset		As at April 1, 2023	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	as at March 31, 2024
Deferred Tax Liabilities (A)					
Property, plant and equipments and other intangible assets		109.25	3.16	-	112.42
Others		0.20	(0.20)	-	-
Total		109.45	2.96	-	112.42
Deferred Tax Assets (B)					
Provision for employee benefit expenses		5.55	0.57	(0.16)	5.97
Allowance for expected credit loss		0.53	0.24	-	0.76
Others		0.03	(0.03)	-	-
Total		6.11	0.78	(0.16)	6.73
Deferred tax liabilities (Net - A-B)		103.34	2.18	0.16	105.68

Notes to the Standalone Financial Statements for the year ended March 31, 2024

20 Other Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Deferred liability - government grant for		
- Deferred liability related to purchase of property, plant and equipment (see note (i) below)	61.94	69.47
- Deferred liability related to sales tax (see note (ii) below)	-	0.06
- Deferred liability related to Interest free loan (see note (iii) below)	10.49	8.03
Total	72.43	77.56

Note :

- Deferred liability arises in respect of import of property, plant and equipment without payment of custom duty under Export Promotion Capital Goods Scheme. The income is recognised in Profit or loss on a straight line basis over the useful life of the related assets. (see note 37(b)(2)).
- The Company has deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan was estimated at ₹0.56 crore as on March 31, 2024 (March 31, 2023 : ₹0.71 crore). The difference of ₹0.08 crore (March 31, 2023 : ₹0.14 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income. (See note 23 & 24)
- The Company during the year has received interest free loan of ₹12.23 crores (March 31, 2023 : ₹26.45 crore) from government repayable in financial year 2028-2029. Using prevailing market interest rates for an equivalent loan of 7.50% (March 31, 2023 : 7.50%) in the year of grant, the fair value of loan is estimated at ₹7.37 crore (As at March 31, 2023 : 15.94). The difference of ₹4.86 crore (As at March 31, 2023 : ₹10.51) between the gross proceeds and the fair value of the loan is recognised as deferred income.

21 Borrowings (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loan repayable on demand		
- From banks (Secured)	56.55	271.08
(i) Working capital facilities (see note (i) & (ii) below)	38.31	62.88
(b) Current Maturity of non current borrowings (see note 16)		
Total	94.86	333.96

Nature of security :

- Working capital facilities from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka.

Working capital facilities are further secured by second charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana

Notes to the Standalone Financial Statements for the year ended March 31, 2024

502255 and KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibele, Anekal Taluk, Bangalore and 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. Vinay Gupta.

- (ii) Overdrawn facilities from banks are secured in the form of fixed deposits with banks. As at year end March 31, 2024, no borrowings were outstanding against the fixed deposits pledged as security. (See note 13).

22 Trade payables (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) (see note 47(a))	11.39	11.34
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,285.05	1,253.66
Total	1,296.44	1,265.00

Outstanding for following periods from date of transaction :

(₹ in crore)

Particulars	As at March 31, 2024					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	11.39	-	-	-	11.39
Total outstanding dues of creditors other than MSME	118.17	1,165.56	-	0.34	0.97	1,285.05
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	118.17	1,176.95	-	0.34	0.97	1,296.44

Outstanding for following periods from date of transaction :

(₹ in crore)

Particulars	As at March 31, 2023					Total
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	
MSME	-	11.32	-	0.02	-	11.34
Total outstanding dues of creditors other than MSME	137.26	1,115.31	-	0.16	0.93	1,253.66
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	137.26	1,126.63	-	0.18	0.93	1,265.00

Notes to the Standalone Financial Statements for the year ended March 31, 2024

23 Other financial liabilities (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Security deposits payable	0.69	0.92
(b) Payable on purchase of property, plant and equipment	10.09	0.92
(c) Retention money payable	2.84	2.19
(d) Deferred payment	0.21	0.21
(e) Unclaimed dividends	0.44	0.56
(e) Derivative liabilities	0.01	-
(f) Interest accrued but not yet due on borrowings	0.38	1.80
Total	14.65	6.60

24 Other current liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Statutory remittances	21.66	24.94
(b) Advance from customers	17.51	14.34
(c) Advance received against sale of property, plant & equipment	-	3.00
(d) Deferred liability (see note 20)		
- Deferred liability related to purchase of property, plant and equipment	4.60	4.83
- Deferred liability related to sales tax	0.06	0.07
- Deferred liability related to Interest free loan	1.98	1.29
Total	45.81	48.47

25 Provisions (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	0.29	0.35
(b) Provision for gratuity (see note 38)	0.40	0.56
Total	0.69	0.91

26 Current tax liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for tax net of advance tax of ₹422.18 crore (March 31, 2023 : net of advance tax ₹438.54 crore)	14.93	15.08
Total	14.93	15.08

Notes to the Standalone Financial Statements for the year ended March 31, 2024

27 Revenue from operations

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of products (see note (i) below)	13,476.46	13,876.85
(b) Other operating revenue (see note (ii) below)	382.35	402.44
Total	13,858.81	14,279.29

(i) Reconciliation of revenue recognised with contract price :

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	13,991.42	14,420.29
Adjustments for:		
Discount & incentives	(514.96)	(543.44)
Revenue from operations	13,476.46	13,876.85

(ii) Other operating revenue comprises

Sale of scrap	382.11	402.20
Export incentives	0.24	0.23
Job work	-	0.01
Total	382.35	402.44

28 Other income

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income on fixed deposit	7.51	9.89
(b) Interest income on others	24.20	11.69
(c) Profit on sale of property, plant and equipment (net)	5.42	-
(d) Gain on foreign currency transactions (net)	7.22	9.30
(e) Miscellaneous income (see note below)	12.32	11.03
Total	56.67	41.91

Note :

Miscellaneous income includes (a) Export obligation deferred income amortisation of ₹4.29 crore (March 31, 2023 : ₹3.95 crore), (b) Interest subsidy benefit on borrowings for exports of ₹3.15 crore (March 31, 2023 : ₹2.63 crore), (c) unwinding of interest income on grant of ₹1.70 crore (March 31, 2023 : ₹1.20 crore) and (c) Other miscellaneous income of ₹3.18 crore (March 31, 2023 : ₹3.25 crore).

29 Cost of materials consumed

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories of raw material as at the beginning of the year	215.26	300.49
Add: Purchases during the year	10,551.02	11,580.04
Less: Inventories of raw material as at the end of the year	290.81	215.26
Total	10,475.47	11,665.27

Notes to the Standalone Financial Statements for the year ended March 31, 2024

30 Change in inventories

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of the year:		
(a) Finished goods	475.68	570.69
(b) Stock in trade	6.82	4.37
(c) Work in progress	141.17	210.02
(d) Rejection and scrap	56.35	33.73
Inventories at the end of the year:	680.02	818.81
Inventories at the beginning of the year:		
(a) Finished goods	570.69	288.76
(b) Stock in trade	4.37	5.46
(c) Work in progress	210.02	147.70
(d) Rejection and scrap	33.73	11.95
Inventories at the beginning of the year:	818.81	453.87
Total	138.79	(364.94)

31 Employee benefits expense

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Salaries and wages	147.21	142.01
(b) Contribution to provident fund (see note 38)	5.30	5.18
(c) Gratuity expense (see note 38)	2.93	2.62
(d) Share-based payments to employees (see note 35(a) & 39)	0.13	0.26
(e) Staff welfare expenses	4.50	4.01
	160.06	154.08
(f) Less: Allocation of common employee benefits expenses (see note 35(b))	8.57	5.18
Total	151.49	148.90

During the year, the Company recognised ₹9.12 crore including commission ₹2.45 crore (Year ended March 31, 2023 ₹5.04 crore) as remuneration to key managerial personnel. The details of such remuneration is as below :-

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Short term employee benefits	9.04	4.98
(ii) Post employment benefits (Gratuity expense)	0.03	0.03
(iii) Other long term employee benefits (Leave encashment expense)	0.05	0.03
Total	9.12	5.04

Notes to the Standalone Financial Statements for the year ended March 31, 2024

32 Finance costs

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest expense :		
(i) working capital facilities	35.96	30.68
(ii) term loan	8.18	11.30
(iii) delayed payment of income tax	0.01	0.07
(iv) on leases	0.01	0.03
	44.16	42.08
(b) Other borrowing cost	6.33	5.43
Total	50.49	47.51

33 Depreciation and amortisation expense

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Depreciation on property, plant and equipment (see note 2(a))	98.83	100.54
(b) Amortisation on right of use assets (see note 2(d))	0.58	1.05
(c) Amortisation on intangible assets (see note 2(f))	0.89	0.52
(d) Depreciation on capital work in progress	-	0.35
Total	100.29	102.46

34 Other expenses

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Freight outward	309.35	370.80
(b) Power and fuel	132.67	146.93
(c) Consumption of stores and spare parts	71.28	81.40
(d) Derivatives measured at fair value through profit & loss account	1.28	1.02
(e) Advertisement and sales promotion	43.34	28.21
(f) Rent	11.05	4.99
(g) Travelling and conveyance	13.19	10.56
(h) Legal and professional charges (see note (i) below)	9.46	9.29
(i) Job work charges	2.82	-
(j) Repair and maintenance:		
(i) Building	0.50	0.40
(ii) Plant and machinery	9.92	8.16
(iii) Others	2.06	2.52
(k) Rates and taxes	3.81	2.52
(l) Security services	3.12	2.83
(m) Allowance for expected credit loss	0.91	0.94
(n) Loss on sale of property, plant and equipment (net)	-	0.11
(o) Corporate social responsibility (see note 47(b))	10.38	8.46

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(p) Provision for slow moving inventory of spares & consumables	1.24	1.13
(q) Insurance	2.48	2.53
(r) Miscellaneous expenses	14.72	14.83
	643.59	697.63
(s) Less: Allocation of common expenses (see note 35(b))	14.68	8.27
Total	628.91	689.36

Note

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Legal and professional charges include auditor's remuneration (excluding indirect taxes) as follows :		
(a) To statutory auditors		
For audit (including quarterly limited reviews)	1.38	1.53
For other services	0.01	0.01
Reimbursement of expenses	0.10	0.01
Total	1.49	1.55
(b) To cost auditors for cost audit	0.02	0.02
Total	0.02	0.02

35 Allocation of common expenses

- (a) The Company has charged back the Share based expenses to employees (included under Employee benefits expense in note 31) incurred by it to its group companies on cost i.e. on cost to cost basis. The allocation of common expenses has been carried out on the basis of share options held of the Company by employees of the respective companies.
- (b) The Company has charged back the common expenses (included under "Employee benefits expense" in note 31 & "Other expenses" in note 34) incurred by it to its group companies on cost i.e. on cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of the respective companies, as per latest audited financial statements.

36 Earnings per Equity share

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

(₹ in crore, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share (a)	453.71	511.92
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (b)	27,73,96,166	27,72,02,548
Adjustments for calculation of diluted earnings per share (Employee stock option)(Number)(c)	-	1,93,750
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (d=b+c)	27,73,96,166	27,73,96,298
Nominal value of equity shares	2.00	2.00

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic earnings per share in ₹ (a/b)	16.36	18.47
(b) Diluted earnings per share in ₹ (a/c)	16.36	18.45

In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for earlier years was arrived at after giving effect to bonus issue. Also see note 15(a)(vii).

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

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Contingent liabilities (for pending litigations)		
(1) Disputed claims/levies in respect of sales tax:		
- Reversal of input tax credit	5.78	2.89
- Provisional Assessment	-	0.46
	5.78	3.35
(2) Disputed claims/levies in respect of excise duty	5.53	5.53
(3) Disputed claims/levies in respect of service tax	-	0.94
(4) Disputed claims/levies in respect of income tax	5.72	5.72
(5) Disputed claims/levies in respect of Goods & service tax (see note (i) below) (net of provision of ₹0.36 crore, March 31, 2023 : ₹ Nil)	0.98	-
Total	18.01	15.54

(i) The Company has during the year received demand order aggregating to ₹108.31 crores (including interest and penalty of ₹63.06 crores) from State Tax Officer, Hosur, Tamil Nadu. The Company subsequent to year end filed a writ petition in Hon'ble High Court of Chennai. The Hon'ble High Court of Chennai has set aside the demand order amounting to ₹107.73 crores and has remand back the case to State Tax Officer, Hosur, Tamil Nadu.

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

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

(b) Commitments

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Property, plant and equipments	124.25	57.08

(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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

required to export of FOB value of ₹183.24 crore (March 31, 2023 ₹138.58 crore) against which the Company has saved a duty of ₹41.49 crore (March 31, 2023 ₹23.11 crore).

(3) The Company has given corporate guarantees amounting to ₹183.00 crores, ₹1010.00 crores and ₹289.05 crores on behalf of its subsidiaries i.e. Apollo Metalex Private Limited, APL Apollo Building Products Private Limited and APL Apollo Tubes Company LLC respectively for loans and credit facilities taken by them from banks and financial institutions. The loan outstanding as at March 31, 2024 of Apollo Metalex Private Limited is ₹ Nil (March 31, 2023 ₹ Nil), APL Apollo Building Products Private Limited is ₹794.83 crores (March 31, 2023 ₹443.66 crores) and APL Apollo Tubes Company LLC is ₹163.58 crores (March 31, 2023 ₹ Nil).

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

(c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

38 Employee benefit obligations

(a) Defined contribution plans

The Company makes provident fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹5.30 crore (Year ended March 31, 2023 ₹5.18 crore) for provident fund contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(b) Defined benefit plans

a) Gratuity

The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of ₹0.20 crore (March 31, 2023 ₹0.20 crore). Vesting occurs upon completion of 5 years of service. The scheme is funded with APL Apollo Tubes Limited Employees Group Gratuity Trust.

The Company has made Nil contribution in current and previous year to APL Apollo Tubes Limited Employees Group Gratuity Trust.

(₹ in crore)

Particulars	As at March 31, 2024		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.40	12.77	13.17
Total employee benefit obligations	0.40	12.77	13.17

Particulars	As at March 31, 2023		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.56	10.96	11.52
Total employee benefit obligations	0.56	10.96	11.52

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(i) Movement of defined benefit obligation :

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

(₹ in crore)

Particulars	Gratuity
Opening balance as at April 1, 2022	12.62
Current service cost	1.97
Interest expense	0.92
Expected return on plan assets	(0.27)
Total amount recognised in profit or loss	2.62
Add / (less): Transfer to subsidiary (note (i) below)	(0.43)
<i>Remeasurements</i>	
Effect of experience adjustments	0.18
Changes in asset ceiling	0.24
Total amount recognised in other comprehensive income	0.42
Employer contributions : benefit payments	(0.59)
Balance as at March 31, 2023	14.64
Balance as at March 31, 2023	14.64
Current service cost	2.08
Interest expense/(income)	1.08
Expected return on plan assets	(0.23)
Total amount recognised in profit or loss	2.93
Add / (less): Transfer to subsidiary (note (i) below)	-
<i>Remeasurements</i>	
Effect of change in financial assumptions	-
Effect of change in demographic assumptions	-
Effect of experience adjustments	(0.39)
Changes in asset ceiling	(0.24)
Total amount recognised in other comprehensive income	(0.64)
Employer contributions : benefit payments	(2.03)
Balance as at March 31, 2024	14.91

Note :

The Company during the previous year ended March 31, 2023 had transferred some employees who were on payroll of APL Apollo Tubes Limited to APL Apollo Building Products Private Limited, (a wholly owned subsidiary of the Company). Accordingly, corresponding liability was also transferred to subsidiary Company.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(ii) Movement of Plan Assets (₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	3.12	3.63
Contribution by the employer	-	-
Expected return on plan assets	0.23	0.27
Actuarial gains / loss	0.24	(0.24)
Benefits paid	(1.86)	(0.54)
Closing balance	1.74	3.12

(iii) Net asset / (liability) recognised in the Balance Sheet (₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of defined benefit obligation	14.91	14.64
Less : fair value of plan assets	1.74	3.12
Funded status- surplus/ (deficit)	(13.17)	(11.52)
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	(13.17)	(11.52)

(iv) Category of assets

Funds managed by Insurer	100.00%	100.00%
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(v) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.09%	7.36%
Salary growth rate	8.00%	8.00%
Expected return on assets	7.36%	7.53%
Retirement age	60 Years	60 Years
Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
Attrition rate		
18 to 30 years	4.6%	2.6%
30 to 50 years	14.3%	7.2%
Above 50 years	1.4%	0.8%

Notes :

- (1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.
- (2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(vi) The Company expects to make a contribution of ₹16.20 crore (March 31, 2023: ₹13.83 crore) to the defined benefit plans during the next financial year.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(vii) Sensitivity analysis

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

(₹ in crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (increase by 1%)	(1.84)	(1.70)
Salary growth rate (increase by 1%)	2.15	2.01
	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (decrease by 1%)	2.19	2.04
Salary growth rate (decrease by 1%)	(1.84)	(1.71)

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

(viii) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

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

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

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

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(ix) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 16.64 years (March 31, 2023 : 16.90 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than a year	0.42	0.58
Between 1 - 2 years	0.45	0.47
Between 2 - 3 years	0.59	0.98
Between 3 - 4 years	1.08	0.66
Between 4 - 5 years	1.36	1.24
Beyond 5 years	10.66	10.19
Total	14.56	14.12

Notes to the Standalone Financial Statements for the year ended March 31, 2024

39 Share Based Payments

(a) Employee Share Option Plan :

- (i) The ESOS scheme titled Employee Stock Option Scheme 2015 (ESOS 2015) was approved by the shareholders through postal ballot on July 27, 2015 and December 22, 2015. 7,50,000 options are covered under the Scheme for 750,000 Equity shares (before giving effect of share split and bonus issue).
- (ii) During the financial year 2015-16, the Nomination and Remuneration Committee in its meeting held on July 28, 2015 has granted 724,000 options respectively under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price was determined at ₹452.60 per share.
- (iii) During the financial year 2016-17, the Nomination and Remuneration Committee in its meeting held on January 28, 2017 has granted 46,000 options under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price was determined at ₹1,028.80 per share.
- (iv) During the financial year 2017-18, the the Nomination and Remuneration Committee in its meeting held on September 9, 2017 and February 5, 2018 has granted 96,000 and 70,000 options respectively, under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price was determined at ₹1,633.05 and ₹2,124.10 respectively per share.
- (v) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 has granted 95,000 options under the ESOS to eligible employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 5 years. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹1,438.55 per share.
- (vi) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 also recommended reduction in exercise price of options granted on September 9, 2017 and February 5, 2018 to reflect the fall in Company's share prices. The same was approved by shareholders of the Company on January 27, 2020 through postal ballot. The revised exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of reduction in exercise price. The revised exercise price was determined at ₹1,438.55 per share.

(b) The following share based payment arrangements were in existence during the current and prior years :

Number of options granted (before giving effect of share split and bonus issue)	Grant Date	Expiry Date	Exercise Price (see note below) (Amount in ₹)	Fair Value at grant date (Amount in ₹)
7,24,000	July 28, 2015	January 26, 2020	452.60	168.88
46,000	January 28, 2017	July 29, 2021	1,028.80	354.56
96,000	September 9, 2017	October 3, 2022	1,438.55	602.36
70,000	February 5, 2018	August 6, 2022	1,438.55	751.34
95,000	November 9, 2019	May 9, 2024	1,438.55	466.08

Notes to the Standalone Financial Statements for the year ended March 31, 2024

i) The earlier exercise price of the Options granted on September 9, 2017 and February 5, 2018 were ₹1,633.05 and ₹2,124.10 respectively. The exercise price of these options was reduced in earlier year (See note (a) (vi) above).

(c) Fair value of option granted/ modified

- (i) No options were granted during the Year ended March 31, 2024 and March 31, 2023.
- (ii) During the previous year ended March 31, 2020, the incremental fair value of the options granted on September 9, 2017 and February 5, 2018 due to modification were determined at ₹131.46 and ₹372.36 respectively which has been recognised as expense over the period from the modification date to the end of vesting period. The expense of original option grant continues to be recognised as if the terms had not been modified.

The incremental fair value of the options was determined using the Black Scholes Model with the following model inputs :

Particulars	Original Grant on September 9, 2017	Original Grant on February 5, 2018
Modification date share price (before giving effect of share split)	1,438.55	1,438.55
Revised exercise price (before giving effect of share split)	1,438.55	1,438.55
Expected volatility	33.49% 34.96%	33.28%-33.96%
Option remaining life	1.31-2.12	1.51-2.53
Dividend yield	0.80%	0.80%
Risk-free interest rate	5.45%-5.70%	5.70%-6.23%

(d) Movement in share option during the year (see note (f) below)

The following reconciles the share options outstanding at the beginning and end of the year :

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
	(Amount in ₹)		(Amount in ₹)	
Balance at the beginning of the year	193,750#	143.86	387,500#	143.86
Granted during the year	-	-	-	-
Vested during the year	1,93,750	143.86	1,90,314	143.86
Lapsed during the year	-	-	3,436	-
Forfeited during the year	-	-	-	-
Exercised during the year	1,93,750	143.86	1,90,314	143.86
Expired during the year	-	-	-	-
Options outstanding at the end of the year	-	-	193,750#	143.86
Options available for grant	112,616*	-	112,616	-

As at March 31, 2024 & March 31, 2023, There are Nil options which were vested but not exercised.

* Options not granted as per decision of board of directors..

(e) Share option exercised (see note (f) below) :

Share option exercised during the Period ended March 31, 2024	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/allotment date ₹
Granted on November 9, 2019	1,81,250	November 28, 2023	1,662.10
Granted on November 9, 2019	12,500	December 22, 2023	1,587.65

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Share option exercised during the Period ended March 31, 2023	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date ₹
Granted on November 9, 2019	1,90,314	December 3, 2022	1,185.50

(f) Disclosures for March 31, 2024 and March 31, 2023 have been made after giving effect to the bonus issue and share split. See note 15(a)(vii) also.

(g) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions, i.e., employee share option plan during the year recognised in profit or loss as part of employee benefit expense is ₹0.13 crore (March 31, 2023 ₹0.26 crore).

40 Related party transaction :

(a) Details of related parties :	Name of related parties
(i) Subsidiaries	Apollo Metalex Private Limited Blue Ocean Projects Private Limited APL Apollo Building Products Private Limited APL Apollo Mart Limited (Company incorporated on December 7, 2021) APL Apollo Tubes FZE (winded up w.e.f. December 31, 2023) A P L Apollo Tubes Company L.L.C. (Company incorporated on December 7, 2022)
(ii) Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Sanjay Gupta (Chairman and Managing Director) Mr. Deepak Goyal (Director, w.e.f. April 1, 2023) Mr. Chetan Khandelwal (Chief Financial Officer, w.e.f. November 1, 2023) Mr. Deepak C S (Company Secretary) Mr. Rahul Gupta (Director & Son of Mr. Sanjay Gupta)
(iii) Relative of KMP (with whom transactions have taken place during the year)	Mrs. Neera Gupta (Wife of Mr. Sanjay Gupta) Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta) Mr. Rohan Gupta (Son of Mr. Sanjay Gupta)
(iv) Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	APL Infrastructure Private Limited Apollo Pipes Limited SG Ornate Solar Solutions Private Limited APL Apollo Foundation (Foundation incorporated on April 19, 2022)

(b) Transactions during the year (₹ in crore)

Particulars	Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Sale of goods (net of discounts)					
Apollo Metalex Private Limited	C.Y. 175.21	-	-	-	175.21
	P.Y. 271.59	-	-	-	271.59

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
A P L Apollo Tubes Company L.L.C.	C.Y.	114.41	-	-	-	114.41
	P.Y.	-	-	-	-	-
Apollo Pipes Limited	C.Y.	-	-	-	0.89	0.89
	P.Y.	-	-	-	1.10	1.10
APL Apollo Building Products Private Limited	C.Y.	198.68	-	-	-	198.68
	P.Y.	113.05	-	-	-	113.05
Blue Ocean Projects Private Limited	C.Y.	-	-	-	-	-
	P.Y.	0.06	-	-	-	0.06
	C.Y.	488.30	-	-	0.89	489.18
	P.Y.	384.71	-	-	1.10	385.81
Sale of scrap & stores and spares						
Apollo Metalex Private Limited	C.Y.	0.53	-	-	-	0.53
	P.Y.	0.37	-	-	-	0.37
APL Apollo Building Products Private Limited	C.Y.	3.01	-	-	-	3.01
	P.Y.	0.15	-	-	-	0.15
A P L Apollo Tubes Company L.L.C.	C.Y.	3.77	-	-	-	3.77
	P.Y.	-	-	-	-	-
APL Apollo Tubes FZE	C.Y.	0.09	-	-	-	0.09
	P.Y.	-	-	-	-	-
Apollo Pipes Limited	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	0.04	0.04
	C.Y.	7.40	-	-	-	7.40
	P.Y.	0.52	-	-	0.04	0.56
Sale of property, plant and equipments						
Apollo Metalex Private Limited	C.Y.	6.74	-	-	-	6.74
	P.Y.	0.35	-	-	-	0.35
A P L Apollo Tubes Company L.L.C.	C.Y.	22.87	-	-	-	22.87
	P.Y.	-	-	-	-	-
APL Apollo Building Products Private Limited	C.Y.	23.96	-	-	-	23.96
	P.Y.	45.23	-	-	-	45.23
	C.Y.	53.57	-	-	-	53.57
	P.Y.	45.58	-	-	-	45.58
Sale of licenses						
Apollo Pipes Limited	C.Y.	-	-	-	0.13	0.13
	P.Y.	-	-	-	2.74	2.74

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
		-	-	-	0.13	0.13
		-	-	-	2.74	2.74
Purchase of property, plant and equipments						
Apollo Pipes Limited	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	0.01	0.01
Apollo Metalex Private Limited	C.Y.	0.03	-	-	-	0.03
	P.Y.	0.29	-	-	-	0.29
SG Ornate Solar Solutions Pvt Ltd	C.Y.	-	-	-	9.33	9.33
	P.Y.	-	-	-	-	-
APL Apollo Building Products Private Limited	C.Y.	18.65	-	-	-	18.65
	P.Y.	1.89	-	-	-	1.89
	C.Y.	18.69	-	-	9.33	28.02
	P.Y.	2.19	-	-	0.01	2.20
Purchase of stock-in-trade (net of discounts)						
Apollo Metalex Private Limited	C.Y.	676.03	-	-	-	676.03
	P.Y.	565.77	-	-	-	565.77
APL Apollo Building Products Private Limited	C.Y.	547.88	-	-	-	547.88
	P.Y.	240.62	-	-	-	240.62
	C.Y.	1,223.91	-	-	-	1,223.91
	P.Y.	806.40	-	-	-	806.40
Purchase of raw material (net of discounts)						
Apollo Metalex Private Limited	C.Y.	139.27	-	-	-	139.27
	P.Y.	423.36	-	-	-	423.36
APL Apollo Building Products Private Limited	C.Y.	119.00	-	-	-	119.00
	P.Y.	231.80	-	-	-	231.80
Apollo Pipes Limited	C.Y.	-	-	-	1.20	1.20
	P.Y.	-	-	-	0.91	0.91
	C.Y.	258.27	-	-	1.20	259.47
	P.Y.	655.16	-	-	0.91	656.07
Purchase of scrap						
Apollo Metalex Private Limited	C.Y.	4.79	-	-	-	4.79
	P.Y.	6.40	-	-	-	6.40
APL Apollo Building Products Private Limited	C.Y.	28.18	-	-	-	28.18
	P.Y.	5.59	-	-	-	5.59

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
	C.Y.	32.97	-	-	-	32.97
	P.Y.	11.99	-	-	-	11.99
Rent received						
APL Apollo Building Products Private Limited	C.Y.	1.86	-	-	-	1.86
	P.Y.	1.86	-	-	-	1.86
	C.Y.	1.86	-	-	-	1.86
	P.Y.	1.86	-	-	-	1.86
Rent paid						
APL Infrastructure Private Limited	C.Y.	-	-	-	0.03	0.03
	P.Y.	-	-	-	0.06	0.06
Apollo Pipes Limited	C.Y.	-	-	-	0.13	0.13
	P.Y.	-	-	-	0.42	0.42
Apollo Metalex Private Limited	C.Y.	0.41	-	-	-	0.41
	P.Y.	0.41	-	-	-	0.41
Blue Ocean Projects Private Limited	C.Y.	6.59	-	-	-	6.59
	P.Y.	-	-	-	-	-
Mrs. Neera Gupta	C.Y.	-	-	0.01	-	0.01
	P.Y.	-	-	0.02	-	0.02
Mrs. Vandana Gupta	C.Y.	-	-	0.01	-	0.01
	P.Y.	-	-	0.02	-	0.02
	C.Y.	7.00	-	0.02	0.16	7.19
	P.Y.	0.41	-	0.04	0.48	0.93
Interest expense						
APL Apollo Mart Limited	C.Y.	0.68	-	-	-	0.68
	P.Y.	0.26	-	-	-	0.26
APL Apollo Building Products Private Limited	C.Y.	0.14	-	-	-	0.14
	P.Y.	0.26	-	-	-	0.26
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	0.26	-	-	-	0.26
	C.Y.	0.82	-	-	-	0.82
	P.Y.	0.78	-	-	-	0.78
Interest income						

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	0.48	-	-	-	0.48
APL Apollo Building Products Private Limited	C.Y.	15.37	-	-	-	15.37
	P.Y.	9.07	-	-	-	9.07
APL Apollo Tubes FZE	C.Y.	-	-	-	-	-
	P.Y.	0.26	-	-	-	0.26
APL Apollo Tubes Company LLC	C.Y.	7.15	-	-	-	7.15
	P.Y.	0.72	-	-	-	0.72
Blue Ocean Projects Private Limited	C.Y.	0.69	-	-	-	0.69
	P.Y.	-	-	-	-	-
APL Apollo Mart Limited	C.Y.	-	-	-	-	-
	P.Y.	0.01	-	-	-	0.01
	C.Y.	23.21	-	-	-	23.21
	P.Y.	10.54	-	-	-	10.54
Allocation of common expenses incurred by the Company						
(a) Employee benefit expenses:						
Apollo Metalex Private Limited	C.Y.	7.06	-	-	-	7.06
	P.Y.	5.13	-	-	-	5.13
Blue Ocean Projects Private Limited	C.Y.	0.20	-	-	-	0.20
	P.Y.	-	-	-	-	-
APL Apollo Building Products Private Limited	C.Y.	1.52	-	-	-	1.52
	P.Y.	0.05	-	-	-	0.05
	C.Y.	8.58	-	-	-	8.58
	P.Y.	5.18	-	-	-	5.18
(b) Expenses incurred by Company on behalf of						
Apollo Metalex Private Limited	C.Y.	11.93	-	-	-	11.93
	P.Y.	8.18	-	-	-	8.18
APL Apollo Building Products Private Limited	C.Y.	2.56	-	-	-	2.56
	P.Y.	0.08	-	-	-	0.08
	C.Y.	14.48	-	-	-	14.48
	P.Y.	8.27	-	-	-	8.27
Salary						
Mr. Sanjay Gupta	C.Y.	-	7.20	-	-	7.20
	P.Y.	-	3.70	-	-	3.70

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Mr. Chetan Khandwelwal	C.Y.	-	0.43	-	-	0.43
	P.Y.	-	-	-	-	0.09
Mr. Rohan Gupta	C.Y.	-	-	-	-	-
	P.Y.	-	-	0.09	-	0.09
Mr. Deepak Goyal	C.Y.	-	1.13	-	-	1.13
	P.Y.	-	1.05	-	-	1.05
Mr. Deepak C S	C.Y.	-	0.35	-	-	0.35
	P.Y.	-	0.29	-	-	0.29
	C.Y.	-	9.12	-	-	9.12
	P.Y.	-	5.04	0.09	-	5.13
Loans taken during the year						
APL Apollo Mart Limited	C.Y.	72.53	-	-	-	72.53
	P.Y.	-	-	-	-	-
APL Apollo Building Products Private Limited	C.Y.	164.91	-	-	-	164.91
	P.Y.	-	-	-	-	-
	C.Y.	237.44	-	-	-	237.44
	P.Y.	-	-	-	-	-
Loans repaid during the year						
APL Apollo Mart Limited	C.Y.	72.53	-	-	-	72.53
	P.Y.	-	-	-	-	-
APL Apollo Building Products Private Limited	C.Y.	164.91	-	-	-	164.91
	P.Y.	-	-	-	-	-
	C.Y.	237.44	-	-	-	237.44
	P.Y.	-	-	-	-	-
Advance in nature of loans given during the year (see note (v) below)						
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	206.03	-	-	-	206.03
	C.Y.	-	-	-	-	-
	P.Y.	206.03	-	-	-	206.03
Advance in nature of loans received back during the year (see note (v) below)						
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	206.03	-	-	-	206.03
	C.Y.	-	-	-	-	-
	P.Y.	206.03	-	-	-	206.03

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Advance in nature of loans taken during the year						
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	37.68	-	-	-	37.68
	C.Y.	-	-	-	-	-
	P.Y.	37.68	-	-	-	37.68
Advance in nature of loans repaid during the year						
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	37.68	-	-	-	37.68
	C.Y.	-	-	-	-	-
	P.Y.	37.68	-	-	-	37.68
Loans given during the year						
APL Apollo Building Products Private Limited	C.Y.	508.75	-	-	-	508.75
	P.Y.	647.74	-	-	-	647.74
APL Apollo Mart Limited	C.Y.	-	-	-	-	-
	P.Y.	2.50	-	-	-	2.50
APL Apollo Tubes FZE	C.Y.	-	-	-	-	-
	P.Y.	16.01	-	-	-	16.01
Deepak CS	C.Y.	-	0.05	-	-	0.05
	P.Y.	-	-	-	-	-
Blue Ocean Projects Private Limited	C.Y.	29.20	-	-	-	29.20
	P.Y.	-	-	-	-	-
A P L Apollo Tubes Company L.L.C.	C.Y.	22.40	-	-	-	22.40
	P.Y.	67.18	-	-	-	67.18
	C.Y.	560.35	0.05	-	-	560.39
	P.Y.	733.43	-	-	-	733.42
Loans received back during the year						
APL Apollo Building Products Private Limited	C.Y.	788.75	-	-	-	788.75
	P.Y.	367.74	-	-	-	367.74
APL Apollo Mart Limited	C.Y.	-	-	-	-	-
	P.Y.	2.50	-	-	-	2.50
Deepak CS	C.Y.	-	0.02	-	-	0.02
	P.Y.	-	-	-	-	2.50
Blue Ocean Projects Private Limited	C.Y.	9.01	-	-	-	9.01
	P.Y.	-	-	-	-	-
APL Apollo Tubes FZE	C.Y.	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
	P.Y.	16.01	-	-	-	16.01
	C.Y.	797.76	-	-	-	797.76
	P.Y.	386.25	-	-	-	386.25
Payment for corporate social responsibility expense						
APL Apollo Foundation	C.Y.	-	-	-	9.07	9.07
	P.Y.	-	-	-	0.10	0.10
	C.Y.	-	-	-	9.07	9.07
	P.Y.	-	-	-	0.10	0.10
Payment of dividend during the year						
Mr. Sanjay Gupta	C.Y.	-	0.01	-	-	0.01
	P.Y.	-	0.12	-	-	0.12
Mr. Rohan Gupta	C.Y.	-	-	0.39	-	0.39
	P.Y.	-	-	0.39	-	0.39
Mr. Rahul Gupta	C.Y.	-	0.53	-	-	0.53
	P.Y.	-	0.53	-	-	0.53
Mrs. Veera Gupta	C.Y.	-	-	2.71	-	2.71
	P.Y.	-	-	1.90	-	1.90
Mr. Deepak Goyal	C.Y.	-	0.04	-	-	0.04
	P.Y.	-	0.04	-	-	0.04
Mr. Deepak CS	C.Y.	-	0.00	-	-	0.00
	P.Y.	-	-	-	-	-
APL Infrastructure Private Limited	C.Y.	-	-	-	38.43	38.43
	P.Y.	-	-	-	27.30	27.30
	C.Y.	-	0.58	3.10	38.43	42.11
	P.Y.	-	0.69	2.29	27.30	30.28
Director sitting fees paid during the year						
Mr. Vinay Gupta	C.Y.	-	-	-	-	-
	P.Y.	-	0.05	-	-	0.05
Mr. Rahul Gupta	C.Y.	-	-	-	-	-
	P.Y.	-	0.02	-	-	0.02
	C.Y.	-	-	-	-	-
	P.Y.	-	0.07	-	-	0.07

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Investment in equity share capital						
APL Apollo Building Products Private Limited	C.Y.	200.00	-	-	-	200.00
	P.Y.	340.00	-	-	-	340.00
A P L Apollo Tubes Company L.L.C.	C.Y.	146.58	-	-	-	146.58
	P.Y.	0.66	-	-	-	0.66
APL Apollo Mart Limited	C.Y.	5.28	-	-	-	5.28
	P.Y.	103.98	-	-	-	103.98
APL Apollo Foundation	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	0.08	0.08
Blue Ocean Projects Private Limited	C.Y.	35.24	-	-	-	35.24
	P.Y.	57.23	-	-	-	57.23
	C.Y.	387.09	-	-	-	387.10
	P.Y.	501.87	-	-	0.08	501.95
Investment bought back in equity share capital						
APL Apollo Tubes FZE	C.Y.	1.90	-	-	-	1.90
	P.Y.	-	-	-	-	-
	C.Y.	1.90	-	-	-	1.90
	P.Y.	-	-	-	-	-

(c) Balances outstanding at the end of the year

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Trade receivables						
APL Apollo Building Products Private Limited	C.Y.	1.21	-	-	-	1.21
	P.Y.	5.12	-	-	-	5.12
APL Apollo Mart Limited	C.Y.	-	-	-	-	-
	P.Y.	0.03	-	-	-	0.03
Apollo Pipes Limited	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	0.04	0.04
Blue Ocean Projects Private Limited	C.Y.	0.20	-	-	-	0.20

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(c) Balances outstanding at the end of the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
	P.Y.	-	-	-	-	-
A P L Apollo Tubes Company L.L.C.	C.Y.	15.16	-	-	-	15.16
	P.Y.	-	-	-	-	-
APL Apollo Tubes FZE	C.Y.	0.17	-	-	-	0.17
	P.Y.	0.08	-	-	-	0.08
	C.Y.	16.74	-	-	-	16.74
	P.Y.	5.24	-	-	0.04	5.27
Claim receivables						
Apollo Metalex Private Limited	C.Y.	9.52	-	-	-	9.52
	P.Y.	6.70	-	-	-	6.70
APL Apollo Foundation	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	0.18	0.18
APL Apollo Building Products Private Limited	C.Y.	4.54	-	-	-	4.54
	P.Y.	3.75	-	-	-	3.75
	C.Y.	14.06	-	-	-	14.06
	P.Y.	10.45	-	-	0.18	10.63
Expense payable						
Apollo Metalex Private Limited	C.Y.	0.66	-	-	-	0.66
	P.Y.	-	-	-	-	-
APL Apollo Building Products Private Limited	C.Y.	10.91	-	-	-	10.91
	P.Y.	3.00	-	-	-	3.00
	C.Y.	11.57	-	-	-	11.57
	P.Y.	3.00	-	-	-	3.00
Security deposits given						
Mrs. Neera Gupta	C.Y.	-	-	-	-	-
	P.Y.	-	-	3.00	-	3.00
Mrs. Vandana Gupta	C.Y.	-	-	-	-	-
	P.Y.	-	-	3.00	-	3.00
APL Infrastructure Private Limited	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	5.00	5.00
	C.Y.	-	-	-	-	-
	P.Y.	-	-	6.00	5.00	11.00
Interest receivable						
Blue Ocean Projects Private Limited	C.Y.	0.39	-	-	-	0.39
	P.Y.	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(c) Balances outstanding at the end of the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
APL Apollo Building Products Private Limited	C.Y.	6.13	-	-	-	6.13
	P.Y.	3.05	-	-	-	3.05
A P L Apollo Tubes Company L.L.C.	C.Y.	3.69	-	-	-	3.69
	P.Y.	0.72	-	-	-	0.72
	C.Y.	10.21	-	-	-	10.21
	P.Y.	3.77	-	-	-	3.77
Loans receivable						
APL Apollo Building Products Private Limited	C.Y.	-	-	-	-	-
	P.Y.	280.00	-	-	-	280.00
A P L Apollo Tubes Company L.L.C.	C.Y.	90.88	-	-	-	90.88
	P.Y.	67.18	-	-	-	67.18
Deepak CS	C.Y.	-	0.03	-	-	0.03
	P.Y.	-	-	-	-	-
Blue Ocean Projects Private Limited	C.Y.	20.20	-	-	-	20.20
	P.Y.	-	-	-	-	-
	C.Y.	111.08	0.03	-	-	111.11
	P.Y.	347.18	-	-	-	347.18
Trade payables						
Apollo Metalex Private Limited	C.Y.	2.78	-	-	-	2.78
	P.Y.	2.74	-	-	-	2.74
APL Apollo Building Products Private Limited	C.Y.	1.59	-	-	-	1.59
	P.Y.	0.03	-	-	-	0.03
SG Ornate Solar Solutions Pvt Ltd	C.Y.	-	-	-	1.00	1.00
	P.Y.	-	-	-	-	-
Apollo Pipes Limited	C.Y.	-	-	-	0.03	0.03
	P.Y.	-	-	-	-	-
Mr. Rohan Gupta	C.Y.	-	-	0.01	-	0.01
	P.Y.	-	-	0.01	-	0.01
Mr. Rahul Gupta	C.Y.	-	-	-	-	-
	P.Y.	-	-	-	-	-
Mr. Sanjay Gupta	C.Y.	-	2.71	-	-	2.71
	P.Y.	-	0.18	-	-	0.18
Mr. Chetan Khandelwal	C.Y.	-	0.03	-	-	0.03
	P.Y.	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(c) Balances outstanding at the end of the year (contd..)

(₹ in crore)

Particulars		Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Mr. Deepak Goyal	C.Y.	-	0.06	-	-	0.06
	P.Y.	-	0.04	-	-	0.04
Mr. Deepak C S	C.Y.	-	0.02	-	-	0.02
	P.Y.	-	0.02	-	-	0.02
	C.Y.	4.37	2.82	0.01	1.04	8.23
	P.Y.	2.77	0.24	0.01	-	3.02

Notes :

- C.Y. represents amount as at and for the Year ended March 31, 2024 and P.Y. represents amount as at and for the year ended March 31, 2023.
- Amount of expense of gratuity and compensated absences is taken on actuarial basis.
- The term loan and other credit facilities of the Company are also secured by personal guarantee of directors of the Company, Mr. Sanjay Gupta and Mr. Vinay Gupta.
- The Company has given corporate guarantees amounting to ₹183.00 crores, ₹1010.00 crores and ₹289.05 crores on behalf of its subsidiaries i.e. Apollo Metalex Private Limited, APL Apollo Building Products Private Limited and APL Apollo Tubes Company LLC respectively for loans and credit facilities taken by them from banks and financial institutions. The loan outstanding as at March 31, 2024 of Apollo Metalex Private Limited is ₹ Nil (March 31, 2023 ₹ Nil), APL Apollo Building Products Private Limited is ₹794.83 crores (March 31, 2023 ₹443.66 crores) and APL Apollo Tubes Company LLC is ₹163.58 crores (March 31, 2023 ₹ Nil).
- The treasury and finance operations of the Company and its subsidiaries (APL Group Companies) are managed centrally. Based on the funding requirement, APL group companies provide short term advances in the nature of loan to each other and these are repaid as and when funds are available with respective company. Also interest is charged for the period on such advance in the nature of loan remains outstanding to ensure arms' length transaction. The above transactions are undertaken with the approval of the Board of Directors and the Audit Committee as applicable. The maximum amount outstanding during the year in respect of advance in nature of loan given by the Company to its subsidiaries is as under :

(₹ in crore)

Name of company	Year ended March 31, 2024		Year ended March 31, 2023	
	Limits approved	Maximum amount outstanding during the year	Limits approved	Maximum amount outstanding during the year
Apollo Metalex Private Limited	200.00	-	200.00	150.00
APL Apollo Building Products Private Limited	280.00	-	280.00	280.00

Notes to the Standalone Financial Statements for the year ended March 31, 2024

41 Income tax expense

The reconciliation of estimated income tax to income tax expense is as below :- (₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax as per standalone statement of profit and loss	611.63	689.17
Income tax expenses calculated as per tax rates of Income tax act of 25.168% (March 31, 2023 : 25.168%)	153.93	173.45
(i) Items not deductible	4.30	3.80
(ii) Income tax / deferred tax expense / (credit) of earlier year	(0.32)	-
Tax expense as reported	157.92	177.25

42 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023 :-

(₹ in crore)

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets - Non Current						
Investments						
- Other investments	-	4.08	1.13	1.06	4.04	1.13
Loans given	-	-	111.36	-	-	347.45
Security deposit	-	-	12.01	-	-	21.97
Balance in margin money with maturity of more than 12 months	-	-	0.02	-	-	0.02
Claim receivable (net of provision)	-	-	0.33	-	-	0.27
Financial assets - Current						
Loans given	-	-	1.03	-	-	1.20
Claim receivable	-	-	17.84	-	-	10.45
Export incentives	-	-	0.06	-	-	0.25
Security deposit	-	-	0.01	-	-	0.01
Derivative assets (net)	-	-	-	1.27	-	-
Trade receivables	-	-	24.11	-	-	104.29
Cash and cash equivalents	-	-	71.65	-	-	115.77
Bank balances other than cash and cash equivalents	-	-	1.52	-	-	139.89
Others	-	-	13.70	-	-	12.51
Balance in fixed deposits with original maturity of more than 12 months	-	-	266.65	-	-	-
Total financial assets	-	4.08	521.42	2.33	4.04	755.21

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Financial liabilities - Non Current						
Borrowings	-	-	35.37	-	-	64.62
Deferred payment	-	-	0.35	-	-	0.50
Financial liabilities - Current						
Borrowings	-	-	94.86	-	-	333.96
Lease liabilities	-	-	-	-	-	0.09
Interest accrued but not due on borrowings	-	-	0.38	-	-	1.80
Deferred payment	-	-	0.21	-	-	0.21
Security deposit payable	-	-	0.69	-	-	0.92
Derivative liabilities	0.01	-	-	-	-	-
Trade payables	-	-	1,309.36	-	-	1,268.11
Others	-	-	0.44	-	-	0.56
Total financial liabilities	0.01	-	1,441.66	-	-	1,670.77

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
- Assets for foreign currency forward contracts	-	-	-	1.27
- Investment in equity instruments	1.10	-	1.06	-
- Investment in mutual fund of Union Hybrid Equity Fund - regular plan growth	-	-	1.06	-
Total financial assets	1.10	-	2.12	1.27

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

(b) Fair value hierarchy

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

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

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

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

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

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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(d) Valuation inputs and relationships to fair value- investment property / Assets classified as held for sale (Level 3)

Particulars	Fair Value as at	
	March 31, 2024	March 31, 2023
Investment property (see note 2(c))	78.66	71.52
Assets classified as held for sale (see note 2(g))	-	24.00

- (i) The fair value was derived using the market comparable approach based on recent market prices carried out by an independent valuer without any significant adjustments being made to the market observable data.
- (ii) There were no significant inter-relationships between unobservable inputs that materially affect fair values.

43 Financial risk management objectives

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

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

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

(a) Market risk

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

(i) Foreign currency risk

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

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

Details of derivative instruments and unhedged foreign currency exposure :-

- (1) The position of foreign currency exposure to the Company as at the end of the year are as follows :

(a) Option outstanding	Buy/Sell	As at	As at
		March 31, 2024	March 31, 2023
In USD	Buy	-	19,72,715
Equivalent amount in ₹ in crore		-	16.22
In USD	Sell	-	19,72,715
Equivalent amount in ₹ in crore		-	16.22

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(b) Forward contract outstanding	Buy/Sell	As at March 31, 2024	As at March 31, 2023
In USD	Sell	40,00,000	10,00,000
Equivalent amount in ₹ in crore	Sell	32.90	8.22
In USD	Buy	-	1,08,50,000.00
Equivalent amount in ₹ in crore	Buy	-	89.23

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

Currency	As at March 31, 2024	As at March 31, 2023
Payables:		
USD	-	5,995
Equivalent amount in ₹ in crore	-	0.05
Advance paid to vendors:		
USD	62,53,035	42,51,962
Equivalent amount in ₹ in crore	52.13	34.97
EURO	15,83,170	13,41,481
Equivalent amount in ₹ in crore	14.25	12.01
Trade receivables:		
USD	31,16,534	44,92,944
Equivalent amount in ₹ in crore	25.98	36.95
EURO	1,12,517	3,17,819
Equivalent amount in ₹ in crore	1.01	2.85
GBP	33,457.66	-
Equivalent amount in ₹ in crore	0.35	-
Advance Received from Customers:		
USD	1,93,063	2,66,535
Equivalent amount in ₹ in crore	1.61	2.19
EURO	10,701	30,350
Equivalent amount in ₹ in crore	0.10	0.27
GBP	-	9,002.58
Equivalent amount in ₹ in crore	-	0.09

Sensitivity

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

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
EURO sensitivity		
INR/EURO Increases by 2.5% (March 31, 2023 - 2.5%)	0.02	0.05
INR/EURO Decreases by 2.5% (March 31, 2023 - 2.5%)	(0.02)	(0.05)
USD sensitivity		
INR/USD Increases by 2.5% (March 31, 2023 - 2.5%)	0.49	0.69
INR/USD Decreases by 2.5% (March 31, 2023 - 2.5%)	(0.49)	(0.69)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	130.23	382.33
Fixed rate borrowings	-	16.25
Total borrowings	130.23	398.58

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

Particulars	Balance	% of total loans
As at March 31, 2024		
Bank overdrafts, bank loans, Cash Credit and Term loan	130.23	100%
As at March 31, 2023		
Bank overdrafts, bank loans, Cash Credit and Term loan	382.33	96%

Sensitivity

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

(₹ in crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest rates – increase by 50 basis points (50 bps)	(0.49)	(1.43)
Interest rates – decrease by 50 basis points (50 bps)	0.49	1.43

(b) Credit risk (See note 9)

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

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

1. Export customers
2. Institutional customers
3. Dealers

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

In case of sale to institutional customers, certain credit period is allowed. In order to mitigate credit risk, majority of the sales are

Notes to the Standalone Financial Statements for the year ended March 31, 2024

secured by letter of credit, bank guarantee, post dated cheques, etc.

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

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

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

(c) Liquidity risk

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

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

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	1,448.45	1,058.92
Nature of facility	Working Capital	Working Capital

(ii) Maturities of financial liabilities

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

Contractual maturities of financial liabilities :-

(₹ in crore)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2024				
Borrowings (interest bearing)	94.86	9.17	26.21	130.23
Lease liabilities (interest bearing)	-	-	-	-
Interest accrued but due on borrowings	0.38	-	-	0.38
Trade payables	1,309.36	-	-	1,309.36
Security deposits payable	0.69	-	-	0.69
Deferred payment (interest bearing)	0.21	0.35	-	0.56
Others	0.44	-	-	0.44
Total non-derivative liabilities	1,405.94	9.52	26.21	1,441.66
As at March 31, 2023				
Borrowings (interest bearing)	333.96	47.49	17.14	398.59
Lease liabilities (interest bearing)	0.09	-	-	0.08
Interest accrued but due on borrowings	1.80	-	-	1.80
Trade payables	1,268.11	-	-	1,268.11
Security deposits payable	0.92	-	-	0.92
Deferred payment (interest bearing)	0.21	0.50	-	0.71
Others	0.56	-	-	0.56
Total non-derivative liabilities	1,605.65	47.98	17.14	1,670.77

Notes to the Standalone Financial Statements for the year ended March 31, 2024

44 The Company is in business of Manufacturing of ERW steel tube and pipes and hence only one reportable operating segment as per 'Ind-AS 108 : Operating Segments'.

45 Capital management

(a) Risk management

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

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

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

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings	35.37	64.62
Current borrowings	94.86	333.96
Less : Cash and cash equivalents	(71.65)	(115.77)
Less : Bank balances other than cash and cash equivalents	(1.52)	(139.89)
Less: Fixed deposits classified in other current financial assets	(266.65)	-
Net debt	(209.59)	142.92
Total equity	2,889.39	2,570.95
Gearing Ratio	(0.07)	0.06

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

(b) Reconciliation of liabilities arising from financing activities

(₹ in crore)

Particulars	Opening balance as at April 1, 2022	Net Cash flows	Non Cash Changes	As at March 31, 2024
Non-current borrowings	127.50	(50.67)	(3.15)	73.68
Current borrowings	271.08	(214.53)	-	56.55
Total liabilities from financing activities	398.58	(265.20)	(3.15)	130.23

Particulars	Opening balance as at April 1, 2022	Net Cash flows	Non-cash changes	As at March 31, 2023
Non-current borrowings	175.54	(50.21)	2.17	127.50
Current borrowings	162.65	108.45	(0.02)	271.08
Total liabilities from financing activities	338.19	58.24	2.15	398.58

Notes to the Standalone Financial Statements for the year ended March 31, 2024

46 Merger of Apollo Tricoat Tubes Limited and Shri Lakshmi Metal Udyog Limited with APL Apollo Tubes Limited

The Board of Directors of APL Apollo Tubes Limited (Company), at its meeting held on February 27, 2021, had considered and approved a draft scheme of amalgamation ('scheme') under Sections 230 to 232 of the Companies Act, 2013, of Shri Lakshmi Metal Udyog Limited ('SLMUL' – wholly owned subsidiary company) and Apollo Tricoat Tubes Limited ('Tricoat' – subsidiary company of wholly owned subsidiary) with the Company. The New Delhi bench of the National Company Law Tribunal (NCLT), through its order dated October 14, 2022 had approved the scheme. The certified copy of the NCLT order was filed with Registrar of Companies on October 31, 2022. Consequently, the scheme became operative from October 31, 2022 ('Effective Date') with appointed date from April 1, 2022 as per the approved scheme.

- (i) In terms of the Scheme, the whole of undertaking of Tricoat and SLMUL as a going concern stood transferred to and vested in the Company with effect from the appointed date.
- (ii) Tricoat and SLMUL were engaged in the business of manufacturing of ERW steel tubes.
- (iii) The said amalgamation was accounted under the Pooling of interest method as prescribed under Ind AS 103 'Business Combination' for amalgamation of companies under common control.

Under Pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amount as appearing in the respective financial statements of the subsidiary companies in accordance with Ind AS Technical Facilitation Group (ITGG) clarification bulliten. No adjustments are made to reflect fair values or recognise any new assets or liabilities. Further the financial information in the financial statements of the Company in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Company.

- the entire business and undertaking of Tricoat and SLMUL including all assets, liabilities and reserves as a going concern were transferred to and vested in the Company pursuant to the Scheme at their respective book value under the respective accounting heads of the Company from the appointed date.

- In case of SLMUL, as it was a wholly owned subsidiary of the Company and accordingly, no consideration was payable pursuant to the scheme of amalgamation. The equity shares held by the Company in the wholly owned subsidiary were cancelled and no shares were issued to effect the amalgamation.

- In case of Tricoat, the Company held 55.82% equity shares and accordingly, consideration was payable pursuant to the scheme of amalgamation. The equity shares held by the Company in Tricoat were cancelled and 26,860,000 shares at face value of ₹2.00 each amounting to ₹5.37 crore were issued to the minority shareholders of Tricoat to effect the amalgamation.

- all inter-company balances and transactions were eliminated.

The amalgamation resulted in transfer of assets, liabilities and changes in reserves in accordance with the terms of the scheme at the values given below as at April 1, 2022 :

	(₹ in crore)	
Particulars	Tricoat	SLMU
Non-current assets		
Property, plant and equipment (see note (i) below)	322.91	42.53
Capital work-in-progress	12.39	0.35
Right of use assets (see note (ii) below)	13.55	-
Other intangible assets	0.21	-
Investment in subsidiary		-
Financial assets		
-Other financial assets	1.75	0.72
Non-current tax assets (net)	-	0.12
Other non-current assets	3.34	0.31

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Particulars	Tricoat	SLMU
Current assets		
Inventories	64.38	39.35
Financial assets		
(ii) Trade receivables	11.62	24.97
(ii) Cash and cash equivalents	9.80	1.28
(iii) Loans	0.05	0.03
(iv) Other financial assets	0.40	0.49
Other current assets	16.02	3.31
Total Assets acquired (A)	456.42	113.46
Other equity		
- General reserves	-	13.95
- Capital reserves	0.30	-
- Retained earnings	143.96	188.61
Total reserves acquired (B)	144.26	202.56
Non-current liabilities		
Financial liabilities		
(i) Borrowings	48.99	100.00
Provisions	0.88	1.07
Deferred tax liabilities (net)	12.12	4.48
Other non-current liabilities	20.74	-
Current liabilities		
Financial liabilities		
(i) Borrowings	13.04	-
(ii) Lease liabilities	0.06	-
(iii) Trade payables	33.89	36.34
(iv) Other financial liabilities	2.05	2.46
Other current liabilities	18.43	4.21
Provisions	0.26	0.02
Current tax liabilities (net)	1.70	1.40
Total liabilities acquired (C)	69.43	44.43
Book value of net assets acquired (D = A-B-C)	242.73	(133.53)
Impact of fair value adjustment as reflected in the consolidated financial statements (See note (i) and (ii) below)	11.48	-
Investment eliminated on merger of SLMU	-	252.38
Goodwill as appearing in the consolidated financial statements	114.50	23.00
Total net assets acquired (as was appearing the consolidated financial statements) (E)	368.71	141.85
Less : Consideration and eliminations		
Investment in shares of transferor company : eliminated on merger	252.38	223.41
Fair value gain of Investment in shares of transferor company eliminated	-	(187.11)
Shares issued to minority shareholders of Tricoat	5.37	-
Total consideration (F)	257.75	36.30
Net Capital reserve on account of merger (E-F)	(110.96)	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Notes :

- (i) Property plant and equipment as in note 2(a) includes impact of fair value of land aggregating to ₹3.91 crore and is net of ₹2.14 crore related to intercompany interest capitalised by subsidiary company.
- (ii) Right of use assets as in note 2(d) includes impact of fair value of leasehold land aggregating to ₹7.57 crore.

47 Additional Regulatory Information

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

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount remaining unpaid to supplier as at the end of the year	11.39	11.34
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-	-
Total	11.39	11.34

(b) Corporate social responsibility

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent as per section 135 of Companies Act, 2013	10.38	8.46
(ii) Amount of expenditure in the books of accounts	10.38	8.46
(iii) Actual expenditure	0.54	0.28
(iv) Provision made for liability	9.84	8.18
(v) Shortfall at the end of the year	-	-
(vi) Total of previous years shortfall	-	-
(vii) Reason for shortfall	See note below	See note below
(viii) Amount of expenditure incurred on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other (i) above	0.54	0.28
(ix) Nature of CSR activities	Education and skill enhancement, healthcare, rural development	Education and skill enhancement, healthcare, rural development
(x) Details of related party transactions (See note 40(b))	9.07	0.10

Consequent to the Companies (Corporate Social Responsibility Policy) Amended Rules, 2021 ("the rules"), the Company has subsequent to balance sheet date deposited Rupees 9.84 crore (March 31, 2023 : Rupees 8.18 crore) to a separate bank account. During the current year, amount of Rupees 9.07 crores was transferred to APL Apollo Foundation for discharge of CSR liabilities.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Notes :

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

(c) Financial Ratios as per the Schedule III requirements

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Current Ratio	1.00	0.92
Current Ratio = Current Assets / Current Liabilities		
% change from previous year	9.45%	
(ii) Debt-Equity Ratio	0.02	0.06
Debt-Equity Ratio = Net Debt(1) / Shareholder's Equity		
% change from previous year	(64.48)%	
Reason for change more than 25%	See note (a) below	
(iii) Debt Service Coverage Ratio	5.29	5.81
Debt Service Coverage Ratio = Earnings available for debt service(2) / Debt service(3)		
% change from previous year	(8.93)%	
(iv) Return on Equity Ratio	16.62%	21.72%
Return on Equity Ratio= Net Profit after tax / Average Shareholder's Equity		
% change from previous year	(23.48)%	
Reason for change more than 25%	See note (b) below	
(v) Inventory turnover ratio	13.51	15.56
Inventory turnover ratio= Sales / Average inventory		
% change from previous year	(13.16)%	
(vi) Trade receivables turnover ratio	215.86	59.81
Trade receivables turnover ratio= Sales / Average trade receivables		
% change from previous year	260.94%	
Reason for change more than 25%	See note (c) below	
(vii) Trade payables turnover ratio	9.68	11.36
Trade payables turnover ratio= Net purchases / Average trade payables		
% change from previous year	(14.73)%	
(viii) Net capital turnover ratio	4,589.77	(101.28)
Net capital turnover ratio= Sales / Working capital		
% change from previous year	(4631.83)%	
Reason for change more than 25%	See note (d) below	
(ix) Net Profit Ratio	3.27%	3.58%
Net Profit Ratio= Profit after tax / Sales		
% change from previous year	-8.68%	
(x) Return on capital employed	21.71%	26.16%
Return on capital employed = Earning before interest and taxes(4) / Capital employed(5)		
% change from previous year	-17.01%	
(xi) Return on investment	10.51%	4.75%
Return on investment= Income generated from invested funds / average invested funds in treasury investments		
% change from previous year	121.05%	
Reason for change more than 25%	See note (e) below	

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Explanation of formulas used in calculating ratios :

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

Note :

- (a) Due to decrease in net debt during the year.
 - (b) Due to decrease in earnings available during the year.
 - (c) Due to decrease in trade receivables during the year.
 - (d) Due to decrease in net working capital during the year.
 - (e) Due to increase in interest income during the year.
- (d) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(e) Maintenance of Audit Trail log

The Company has used an accounting software(s) i.e. SAP for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s) and the management did not come across any instance of the audit trail feature being tampered with.

- (f) Disclosures under Rule 11(e)(i) of the Company (Audit & Auditors) Rule, 2014 :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Name of investee	APL Apollo Tubes Limited	APL Apollo Tubes Limited
Date	Nov 2, 2023	May 6, 2022
Amount	5.28 crore	26.25 crore
Nature of fund	Investment	Investment
Name of intermediary Company	APL Apollo Mart Limited	APL Apollo Mart Limited
Relationship	Wholly-owned subsidiary	Wholly-owned subsidiary

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Name of intermediary Company	APL Apollo Mart Limited	APL Apollo Mart Limited
Date	Nov 2, 2023	May 6, 2022
Amount	5.28 crore	26.25 crore
Nature of fund	Investment	Investment
Ultimate beneficiary	Shankara Building Products Limited	Shankara Building Products Limited
Relationship	-	-

- (g) Disclosures under Rule 11(e)(ii) of the Company (Audit & Auditors) Rule, 2014 :

No funds have been received by the Company in current and previous year (other than as disclosed under note 47(e) from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(h) Details of benami property held

No proceeding has been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

(i) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or any lender.

(j) Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(k) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(l) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(m) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(n) Disclosures under Rule 11(f) of the Company (Audit & Auditors) Rule, 2014 - Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Final dividend per share	₹5.50	₹5.00

During the Year ended March 31, 2024, on account of the final dividend for year ended March 31, 2023, the Company has incurred a net cash outflow of ₹138.67 crore. The Board of Directors in their meeting held on May 11, 2024 recommended a final dividend of ₹5.50 per equity share for the Year ended March 31, 2024. This payment of dividend is subject to the approval of shareholders in the upcoming Annual General Meeting of the Company and if approved, would result in a net cash outflow of approximately ₹152.64 crore.

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA

Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL

Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR

Director
DIN :03056481

DEEPAK C S

Company Secretary
ICSI Membership No. : F5060

INDEPENDENT AUDITOR'S REPORT

To The Members of APL Apollo Tubes Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **APL Apollo Tubes Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by

the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the sub-paragraphs (a) of the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure's to Board's Report (hereinafter referred to as "Other Information"), but does not include the consolidated financial statements, standalone financial statements, and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditors and

consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as

a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them

all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

- (a) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹570.58 crore as at March 31, 2024, total revenues of ₹274.33 crore and net cash outflows amounting to ₹0.05 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ Nil as at March 31, 2024, total revenues of ₹ Nil and net cash outflows amounting to ₹0.32 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements / are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the

above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note 36(a) to the consolidated financial statements);
 - ii) The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts (Refer Note 36(b)(4) to the consolidated financial statements);
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India (Refer Note 36(c) to the consolidated financial statements);
 - iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief,

other than as disclosed in the Note 46(e) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 46(e) and 47(f) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) As stated in Note 46(n) to the consolidated financial statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.
- (b) The Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with.

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

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the

Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the

Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP

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

JITENDRA AGARWAL

(Partner)
(Membership No. 87104)
(UDIN: 24087104BKCUDY2316)

Place: Noida

Date: May 11, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of **APL Apollo Tubes Limited** (hereinafter referred to as “Parent”) and its subsidiary companies (the Parent and its subsidiaries together referred to “the Group”), which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on “the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters

paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on "the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to four subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For DELOITTE HASKINS & SELLS LLP

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

JITENDRA AGARWAL

(Partner)

(Membership No. 87104)
(UDIN: 24087104BKCUDY2316)

Place: Noida

Date: May 11, 2024

Consolidated Balance Sheet as at March 31, 2024

(₹ in crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2(a)	3,030.63	2,349.25
(b) Capital work-in-progress	2(b)	202.99	373.98
(c) Right of use assets	2(c)	110.35	92.47
(d) Goodwill	2(d)	137.50	137.50
(e) Other intangible assets	2(e)	2.48	1.23
(f) Financial assets			
(i) Investments	3	102.69	96.04
(ii) Loans	4	0.29	0.28
(iii) Other financial assets	5	32.31	34.21
(i) Non-current tax assets (net)	6	10.04	6.55
(j) Other non-current assets	7	216.15	202.35
Total non-current assets		3,845.43	3,293.86
(2) Current assets			
(a) Inventories	8	1,637.93	1,479.87
(b) Financial assets			
(i) Trade receivables	9	139.08	137.44
(ii) Cash and cash equivalents	10	345.16	122.69
(iii) Bank balance other than (ii) above	11	2.44	229.78
(iv) Loans	12	3.63	1.34
(v) Other financial assets	13	881.08	297.76
(c) Other current assets	14	332.04	269.62
		3,341.36	2,538.50
Assets classified as held for sale	2(f)	-	19.27
Total current assets		3,341.36	2,557.77
Total Assets		7,186.79	5,851.63
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15(a)	55.51	55.47
(b) Other equity	15(b)	3,549.11	2,950.14
Total equity		3,604.62	3,005.61
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	786.51	408.13
(ia) Lease liabilities	2(c)	19.10	-
(ii) Other financial liabilities	17	0.35	0.50
(b) Provisions	18	26.01	21.78
(c) Deferred tax liabilities (net)	19	125.79	117.14
(d) Other non-current liabilities	20	128.99	118.22
Total non-current liabilities		1,086.75	665.77
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	338.04	464.79
(ia) Lease liabilities	2(c)	0.60	0.09
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	22	13.12	15.23
-total outstanding dues of creditors other than micro enterprises and small enterprises	22	1,968.51	1,581.77
(iii) Other financial liabilities	23	60.45	35.99
(b) Other current liabilities	24	71.16	61.16
(c) Provisions	25	1.28	1.50
(d) Current tax liabilities (net)	26	42.26	19.72
Total current liabilities		2,495.42	2,180.25
Total Equity and Liabilities		7,186.79	5,851.63

See accompanying notes to the standalone financial statements

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In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

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

JITENDRA AGARWAL

Partner

Membership No. 87104

Place : Noida

Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA

Chairman & Managing Director

DIN : 00233188

CHETAN KHANDELWAL

Chief Financial Officer

Place : Noida

Date : May 11, 2024

DEEPAK KUMAR

Director

DIN : 03056481

DEEPAK C S

Company Secretary

ICSI Membership No. : F5060



Statement of Consolidated Profit and Loss for the Year ended March 31, 2024 (₹ in crore)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	27	18,118.80	16,165.95
II Other income	28	74.87	47.18
III Total income (I +II)		18,193.67	16,213.13
IV Expenses			
(a) Cost of materials consumed	29	15,368.88	14,322.55
(b) Purchase of stock-in-trade		257.03	286.90
(c) Changes in inventories of finished goods, stock in trade, work-in-progress, rejection and scrap	30	(8.71)	(582.42)
(d) Employee benefits expense	31	257.61	206.19
(e) Finance costs	32	113.39	67.09
(f) Depreciation and amortisation expense	33	175.93	138.33
(g) Other expenses	34	1,051.82	911.18
Total expenses		17,215.95	15,349.82
V Profit before tax (III - IV)		977.72	863.31
VI Tax expense:			
(a) Current tax		239.28	218.35
(b) Deferred tax charge (net)	19	7.11	3.10
(c) Income tax / deferred tax expense of earlier year (net)	40	(1.11)	-
Total tax expense	40	245.28	221.45
VII Profit for the year (V-VI)		732.44	641.86
VIII Other comprehensive income for the year			
Add : (less) items that will not be reclassified to profit or loss			
(a) Equity instruments through other comprehensive income		2.25	(17.41)
(b) Income tax relating to (a) above		(0.26)	1.99
(c) Remeasurement of post employment benefit obligation		0.47	(0.32)
(d) Income tax relating to (c) above		(0.12)	0.09
Other comprehensive income / (expense) for the year		2.34	(15.65)
IX Total comprehensive income for the year (VII+VIII)		734.78	626.21
X Earnings per equity share (EPS) of ₹2 each			
(a) Basic (in ₹)	35	26.40	23.15
(b) Diluted (in ₹)	35	26.40	23.14

See accompanying notes to the standalone financial statements

1-47

In terms of our report attached.

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

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN :03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Statement of Changes in Consolidated Equity for the Year ended March 31, 2024

a) Equity share capital

(₹ in crore)

Particulars	Amount
Balance as at April 1, 2022	50.06
Changes during the year ended March 31, 2023	5.41
Balance as at March 31, 2023	55.47
Changes during the Year ended March 31, 2024	0.04
Balance as at March 31, 2024	55.51

b) Other equity

(₹ in crore)

Particulars	Reserves and surplus						Items of other comprehensive income		Total
	Securities premium	General reserve	Capital Reserve	Capital Reserve on merger	Share capital pending allotment	Share option outstanding account	Retained earnings	Equity instruments through other comprehensive income	
Balance as at April 1, 2022	400.98	39.97	13.38	(5.37)	5.37	1.58	1,955.34	2.70	2,413.95
Profit for the year ended March 31, 2023	-	-	-	-	-	-	641.86	-	641.86
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	(15.42)	(15.42)
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-	-	(0.23)	-	(0.23)
Total comprehensive income for the year	-	-	-	-	-	-	641.63	(15.42)	626.21
Allocations/ Appropriations:									
Dividend paid	-	-	-	-	-	-	(87.60)	-	(87.60)
Share capital issued pursuant to merger to minority shareholders of Tricoat (see note 45)	-	-	-	-	(5.37)	-	-	-	(5.37)
Share option outstanding account	-	-	-	-	-	0.25	-	-	0.25
Transfer to Securities premium	0.01	-	-	-	-	(0.01)	-	-	-
Security premium on issue of shares	2.70	-	-	-	-	-	-	-	2.70
	2.71	-	-	-	(5.37)	0.24	(87.60)	-	(90.02)



Statement of Changes in Consolidated Equity for the Year ended March 31, 2024

b) Other equity (contd..)

Particulars	Reserves and surplus						Retained earnings	Items of other comprehensive income Equity instruments through other comprehensive income	Total
	Securities premium	General reserve	Capital Reserve	Capital Reserve on merger	Share capital pending allotment	Share option outstanding account			
Balance as at March 31, 2023	403.69	39.97	13.38	(5.37)	-	1.82	2,509.37	(12.72)	2,950.14
Profit for the year ended March 31, 2024	-	-	-	-	-	-	732.44	-	732.44
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	1.99	1.99
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	-	-	-	-	0.35	-	0.35
Total comprehensive income for the year	-	-	-	-	-	-	732.79	1.99	734.78
Allocations/ Appropriations:									
Dividend paid	-	-	-	-	-	-	(138.67)	-	(138.67)
Share option outstanding account	-	-	-	-	-	0.10	-	-	0.10
Security premium on issue of shares	4.68	-	-	-	-	(1.92)	-	-	2.76
	4.68	-	-	-	-	(1.82)	-	-	(135.81)
Balance as at March 31, 2024	408.37	39.97	13.38	(5.37)	-	-	3,103.50	(10.73)	3,549.11

See accompanying notes to the consolidated financial statements 1-47

In terms of our report attached.

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

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN :03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Statement of Consolidated Cash Flow for the Year ended March 31, 2024

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax	977.72	863.31
Adjustments for:		
Depreciation and amortisation expense	175.93	138.33
(Profit) / Loss on sale of property, plant and equipment (net)	(5.53)	0.94
Finance costs	113.39	67.09
Interest income on fixed deposits	(42.36)	(21.07)
Interest income on others	(1.93)	(1.30)
Provision for slow moving inventory of spares & consumables	1.42	1.32
Export obligation deferred income amortisation	(6.84)	(4.22)
Interest subsidy benefit on borrowings for exports	(4.07)	(3.20)
Loss / (gain) on derivatives measured at fair value through profit & loss account	(0.99)	1.02
Net unrealised foreign exchange loss	(2.47)	1.97
Bad debts written off	-	4.57
Allowance for doubtful trade receivables (expected credit loss allowance)	0.91	0.94
Share based expenses	0.13	0.25
Provisions	4.02	4.89
Operating profit before working capital changes	1,209.33	1,054.84
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(159.48)	(633.97)
Trade receivables	(0.08)	198.95
Current loans and other financial assets	(63.56)	(271.38)
Non-current loans and other financial assets	1.89	(4.09)
Other current assets	(62.41)	(25.26)
Other non-current assets	(13.79)	0.56
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	384.64	537.54
Other current liabilities	9.99	7.85
Other current financial liabilities	18.83	0.15
Other non current financial liabilities	(0.14)	(0.35)
Other non current liabilities	3.83	42.83
Provisions (current & non-current)	0.47	(0.32)
Cash generated from operations	1,329.52	907.35
Net income tax (paid)	(217.96)	(216.09)
Net cash flow from / (used in) operating activities (A)	1,111.56	691.26

Statement of Consolidated Cash Flow for the Year ended March 31, 2024 (contd.) (₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment (including capital advances)	(694.84)	(862.05)
Proceeds from sale of property, plant and equipment	33.02	19.69
Investment in short term fixed deposits (net)	(288.68)	(17.08)
Investment in other companies	(5.46)	(27.21)
Proceeds from sale of mutual funds	1.06	5.00
Interest received		
- fixed deposits	37.33	4.61
- others	1.93	1.30
Net cash flow from / (used in) investing activities (B)	(915.64)	(875.74)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	546.42	219.88
Repayment of non-current borrowings	(161.11)	(65.25)
Proceeds from current borrowings (net)	-	135.55
Repayment of current borrowings (net)	(126.75)	-
Payment of dividend	(138.67)	(87.51)
Proceeds from issue of equity share capital	2.80	2.74
Payment on account of lease liabilities	(2.03)	(0.56)
Finance costs	(94.11)	(61.41)
Net cash flow from / (used in) financing activities (C)	26.55	143.44
Net increase / (decrease) in cash and cash equivalents (A+B+C)	222.47	(41.04)
Cash and cash equivalents at the beginning of the year	122.69	163.73
Cash and cash equivalents at the end of the year	345.16	122.69

See accompanying notes to the standalone financial statements 1-47

In terms of our report attached.

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

JITENDRA AGARWAL
Partner
Membership No. 87104

Place : Noida
Date : May 11, 2024

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

CHETAN KHANDELWAL
Chief Financial Officer

Place : Noida
Date : May 11, 2024

DEEPAK KUMAR
Director
DIN : 03056481

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1(i) Company background

APL Apollo Tubes Limited ("the Company" or "the Holding Company") is a public limited Company incorporated in India on February 24, 1986 having CIN : L74899DL1986PLC023443 with its registered office at 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in the business of production of ERW steel tubes. The Company as at year end has four wholly owned subsidiaries in India, one wholly owned subsidiary in United Arab Emirates (the Company and its subsidiaries constitute " the Group"). The Group has eleven manufacturing units, a) three at Sikanderabad, Uttar Pradesh, b) one at Dujana, Uttar Pradesh, c) one at Hosur, Tamilnadu, d) two at Raipur, Chhattisgarh, e) one at Murbad, Maharashtra, f) one at Bengaluru, Karnataka, g) one at Malur, Karnataka and h) one at Chegunta, Hyderabad. During the year, the Group commenced its manufacturing unit in United Arab Emirates.

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

1(ii) Material accounting policies

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

(a) Statement of compliance

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

(b) Basis of Preparation

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

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

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

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

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

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

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

(c) Principles of consolidation

The Group consolidates all entities which are controlled by it. The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The consolidated financial statements relate to APL Apollo Tubes Limited, the holding Company and its subsidiary companies (hereinafter collectively referred as "the

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Group"). The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2023.
- b. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.
- c. The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' is determined separately for each subsidiary Company and such amounts are not set off between different entities.
- d. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.
- e. Goodwill arising on consolidation is not amortised but tested for impairment.
- f. Following Indian subsidiaries have been considered in the preparation of consolidated financial statements:

- Apollo Metalex Private Limited (a wholly owned subsidiary) (CIN : U27104DL2006PTC146579)
- Blue Ocean Projects Private Limited (a wholly owned subsidiary) (CIN : U70109DL2011PTC224580)
- APL Apollo Building Products Private Limited (a wholly owned subsidiary) (CIN : U27200DL2019PTC358966)
- APL Apollo Mart Limited (a wholly owned subsidiary) (CIN : U52590DL2021PLC390908)
- g. Following foreign subsidiary has been considered in the preparation of consolidated financial statements:
 - APL Apollo Tubes FZE (winded up w.e.f. December 31, 2023)
 - A P L Apollo Tubes Company LLC

(d) Use of estimates and critical accounting judgements

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

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

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

Deferred income tax assets and liabilities & Income Taxes

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

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

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Consolidated Statement of Profit or Loss.

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

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

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

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

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of derivative and other financial instruments

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

(e) Operating cycle

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

(f) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

(g) Revenue recognition

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

(i) Sale of goods

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

The Group recognises revenue at point in time.

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

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

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

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

(ii) Interest Income

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

(iii) Commission Income

Commission income is recognised when the services are rendered.

(iv) Dividend Income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(h) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to assets are presented in the balance sheet as deferred income and is recognised in the Statement of profit or loss on a systematic basis over the expected useful life of the related assets.

The grant which is received to compensate the import cost of assets subject to an export obligation as prescribed in

the export promotion capital goods scheme is recognised as income in the statement of profit and loss linked to fulfilment of associated export obligations.

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

(i) Income tax

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

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

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

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

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

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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.

(j) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that

are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(k) Impairment of assets

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

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

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

(l) Cash and cash equivalents and Cash Flow Statement

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

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

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

(m) Inventories

Raw materials, work in progress, stores, traded and finished goods

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

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

Rejection and scrap

Rejection and scrap are valued at net realisable value.

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

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

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

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue

expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

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

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

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of 3 years.

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

Capital work-in-progress

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

Depreciation methods, estimated useful lives and residual value

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

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

- (a) Buildings- 10 to 60 years
- (b) Plant and machinery - 2 to 20 years
- (c) Vehicles- 5 years
- (d) Furniture and fixtures- 10 years
- (e) Office equipment- 2-5 years
- (f) Computers & servers- 3-6 years

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

(o) Intangible assets

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

- (a) Computer software - 3 to 6 years

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

(p) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(q) Earnings per share

Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing net the profit / (loss) after

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

(r) Provisions

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

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

(s) Contingent liabilities

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

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

(t) Employee benefits

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(i) Short-term obligations

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

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

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

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

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

(iii) Post-employment obligations

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

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

The Holding Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

(u) Borrowings

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

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

(v) 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.

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

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

A. Investments and other financial assets

(i) Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

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

(a) Debt instruments

Depending upon the business model of the Group, debt instruments can be classified under

following categories:

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

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

(b) Equity instruments

The equity instruments can be classified as:

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

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

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Debt instruments

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

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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

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

Investment in equity shares

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

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment

losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The Group has equity investments in three entities which are not held for trading. The Group has elected the FVTOCI irrevocable option for both of these investments (see note 3). Fair value is determined in the manner described in note 42.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Group determines whether there has been a significant increase in credit risk.

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

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

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

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

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date,

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities

(i) Classification

The Group classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(ii) Measurement

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

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost :

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

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

(iii) De-recognition of financial liability

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

(x) 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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(y) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(z) Segment Information

The Group determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Group's performance and allocates resources

based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments.

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

1(iii) Recent Accounting Developments

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

2(a) : Property, Plant and Equipment

(₹ in crore)

	As at March 31, 2024	As at March 31, 2023
Carrying amounts of:		
Freehold land	177.56	177.56
Building	738.36	509.19
Plant and machinery	2,044.18	1,631.87
Office equipments	6.92	3.87
Vehicles	15.32	17.01
Furniture and fixtures	43.15	6.89
Computers	5.13	2.86
	3,030.62	2,349.25

(₹ in crore)

	Freehold Land	Building	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	Computers	Total
Cost / Deemed cost								
As at April 1, 2022	159.36	385.25	1,440.36	8.94	26.49	12.97	5.40	2,038.77
Asset classified as held for sale [see note 2(f)]	(5.24)	(16.08)	-	-	-	-	-	(21.32)
Additions during the year	23.44	211.56	688.31	1.44	1.26	1.21	1.59	928.81
Sales / transfer during the year	-	(0.84)	(37.87)	(0.05)	(0.27)	(0.12)	(0.16)	(39.31)
Balance at March 31, 2023	177.56	579.89	2,090.80	10.33	27.48	14.06	6.83	2,906.95
Additions during the year	-	269.78	630.32	4.88	1.65	39.05	3.83	949.51
Sales during the year	-	(18.58)	(111.11)	(0.09)	(0.93)	(0.31)	(0.03)	(131.05)
Balance at March 31, 2024	177.56	831.09	2,610.01	15.12	28.20	52.80	10.63	3,725.41
Accumulated depreciation								
As at April 1, 2022	-	55.35	358.68	4.97	6.66	5.97	3.00	434.63
Asset classified as held for sale [see note 2(f)]	-	(2.05)	-	-	-	-	-	(2.05)
Elimination on disposal of assets	-	(0.12)	(9.86)	(0.01)	(0.25)	(0.11)	(0.15)	(10.50)
Depreciation expense	-	17.52	110.11	1.50	4.06	1.31	1.12	135.62
Balance at March 31, 2023	-	70.70	458.93	6.46	10.47	7.18	3.97	557.70
Elimination on disposal	-	(5.55)	(29.73)	(0.02)	(0.77)	(0.12)	(0.01)	(36.20)
Depreciation expense	-	27.58	136.63	1.76	3.18	2.59	1.54	173.28
Balance at March 31, 2024	-	92.73	565.83	8.20	12.88	9.65	5.50	694.78
Net carrying value								
Balance at March 31, 2023	177.56	509.19	1,631.87	3.87	17.01	6.89	2.86	2,349.25
Balance at March 31, 2024	177.56	738.36	2,044.18	6.92	15.32	43.15	5.13	3,030.63

Notes :-

(1) Property, plant and equipment as detailed above have been pledged as security for loans taken as at March 31, 2024. See note 16 & 21 for loans taken against which these assets are pledged.



Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(2): Below are the title deed of immovable property not held in the name of the Company

(i) Particulars	As at March 31, 2024	As at March 31, 2023
Relevant line items in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property [See note 2(c) (iii)]	Building	Building
Gross carrying value (₹ in crore)	1.47	1.47
Title deeds held in the name of	Llyod Line Pipes Limited	Llyod Line Pipes Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	23-Nov-08	23-Nov-08
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger	Pending transfer in name of the Company post merger

(ii) Particulars	As at March 31, 2024	As at March 31, 2023
Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Land at Dujana plant	Land at Dujana plant
Gross carrying amount (Amount in ₹ crore)	9.06	9.06
Title deeds held in the name of	Potential Investments and Finance Limited	Potential Investments and Finance Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	26-Dec-15	26-Dec-15
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger and name change	Pending transfer in name of the Company post merger and name change

Note : Potential Investments and Finance Limited is the erstwhile name of Apollo Tricoat Tubes Limited which was been merged with the Company (See note 45).

(iii) Particulars	As at March 31, 2024	As at March 31, 2023
Relevant line item in the balance sheet	Property, plant and equipment	Property, plant and equipment
Description of item property	Land & building at Attibele plant	Land & building at Attibele plant
Gross carrying amount (Amount in ₹ crore)	22.44	21.56
Title deeds held in the name of	Shri Lakshmi Metal Udyog Limited	Shri Lakshmi Metal Udyog Limited
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	06-May-09	06-May-09
Reason for not being held in the name of the Company	Pending transfer in name of the Company post merger (see note 46)	Pending transfer in name of the Company post merger (see note 46)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(3) Capitalisation of expenditure

The Group has capitalised the following expenses to the cost of property, plant and equipment / capital work in progress :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expenses		
Cost of materials consumed (net of revenue)	-	6.10
Employee benefits expense	-	8.05
Finance cost	-	19.28
Other expenses		
Freight outward	-	5.51
Power and fuel	-	8.09
Consumption of stores and spare parts	-	1.24
Travelling and conveyance	-	1.06
Legal and professional charges	-	1.85
Repair & maintenance on Plant and machinery	-	0.27
Security services	-	0.52
Miscellaneous expenses	-	2.24
Total amount capitalised	-	54.21
Amount capitalised in property, plant and equipment	-	54.21
Amount capitalised in capital work in progress	-	-
Total amount capitalised	-	54.21

2(b) Capital work in progress

(₹ in crore)

Particulars	Building	Plant and machinery	Total
As at April 1, 2022	156.90	346.78	503.68
Add : Additions during the year	221.48	548.69	770.17
Less : Transfer to property, plant and equipment (see note 2(a))	(211.56)	(688.31)	(899.87)
Closing balance as at March 31, 2023	166.82	207.16	373.98
Add : Additions during the year	152.64	576.47	729.11
Less : Transfer to property, plant and equipment (see note 2(a))	(269.78)	(630.32)	(900.10)
Closing balance as at March 31, 2024	49.68	153.31	202.99

Ageing of Capital work in progress is as below :

(₹ in crore)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2024
Less than 1 year	189.27	-	189.27
1-2 years	7.25	-	7.25
2-3 years	0.13	-	0.13
More than 3 years	6.34	-	6.34
Total	202.99	-	202.99

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in crore)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2023
Less than 1 year	361.38	-	361.38
1-2 years	6.00	-	6.00
2-3 years	0.18	6.34	6.52
More than 3 years	0.08	-	0.08
Total	367.64	6.34	373.98

2(c) Right of use assets (ROU) and lease liabilities

(₹ in crore)

	Category of ROU Asset			Total
	Land	Building	Vehicle	
As at April 1, 2022	93.38	1.14	0.08	94.60
Additions	(0.29)	-	-	(0.29)
Amortisation	(1.29)	(0.55)	-	(1.84)
Balance as at March 31, 2023	91.80	0.59	0.08	92.47
Additions	19.63	-	-	19.63
Amortisation	(1.17)	(0.59)	-	(1.76)
Balance as at March 31, 2024	110.25	-	0.08	110.35

Note :-

- ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 44-90 years for land, 3 years for building and 3 years for vehicles. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of consolidated Profit and Loss.
- ROU assets have been pledged as security for loans taken as at March 31, 2024. See note 16 & 21 for loans taken against which these assets are pledged.
- ROU asset includes leasehold land located at Murbad, Maharashtra having gross carrying value of ₹1.44 crore (March 31, 2023 : ₹1.44 crore) (net carrying value of ₹1.03 crore as at March 31, 2024, March 31, 2023 : ₹1.05 crore), the title deeds of whose is in the name of Lloyd Line Pipe Limited (LLPL). LLPL was merged with the Company in earlier year under section 230 and section 232 of the Companies Act, 2013 in terms of approval of Hon'ble National Company Law Tribunal, Principal bench, New Delhi and the land is pending transfer in the name of the Company post merger. The Company is holding the property since September 26, 1994 [See note 2(i)]
- ROU asset includes leasehold land located at Malur, Karnataka having gross carrying value of ₹21.39 crore (March 31, 2023 : ₹21.39 crore) (net carrying value of ₹20.53 crore as at March 31, 2024, March 31, 2023 : ₹20.67 crore), the title deeds of whose is in the name of Best Steel Logistics Limited. Best Steel Logistics Limited is the erstwhile name of Apollo Tricoat Tubes Limited which has been merged with the Company. (See note 45)
- The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023 :

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current lease liability	0.60	0.09
Non-current lease liability	19.10	-
Total	19.70	0.09

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(vi) The following is the movement in lease liabilities during the Year ended March 31, 2024 and March 31, 2023 :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	0.09	0.65
Additions	21.15	-
Finance cost accrued during the year	-	0.03
Payment of lease liabilities	(1.53)	(0.59)
Balance at the end	19.70	0.09

(vii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	0.60	0.09
One to five years	2.85	-
More than five years	16.25	-
Total	19.70	0.09

(viii) 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.

(ix) Rental expense recorded for short-term leases is ₹4.62 crore for the year ended March 31, 2024 (March 31, 2023 : ₹4.81 crore).

2(d) Goodwill

(₹ in crore)

	Goodwill
As at April 1, 2022	137.50
Add : additions during the year	-
Less : impairment during the year	-
Closing balance as at March 31, 2023	137.50
Add : additions during the year	-
Less : impairment during the year	-
Closing balance as at March 31, 2024	137.50

Note :

Goodwill represents the difference between purchase consideration and the fair value of net assets acquired in earlier year.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

2(e) Intangible Assets		(₹ in crore)
	Computer Softwares	
Cost / deemed cost		
As at April 1, 2022	6.56	
Additions	0.63	
Disposal	-	
Balance at March 31, 2023	7.19	
Additions	2.14	
Balance at March 31, 2024	9.33	
Amortisation		
As at April 1, 2022	5.44	
Amortisation expense	0.52	
Elimination on disposal	-	
Balance at March 31, 2023	5.96	
Amortisation expense	0.89	
Balance at March 31, 2024	6.85	
Net carrying value		
Balance at March 31, 2023	1.23	
Balance at March 31, 2024	2.48	

2(f) Asset classified as held for sale		(₹ in crore)
	Land	
As at April 1, 2022	-	
Addition during the year (net) (see note below)	19.27	
Balance at March 31, 2023	19.27	
Asset disposed off during the year	(19.27)	
Balance at March 31, 2024	-	

Note :

- (i) The Company in current year has sold off the assets classified as held for sale in previous year. These assets in previous year comprised of guest house and freehold land & building at Attebele, which it had no longer plans to utilise in next 12 months. The aggregate fair value in previous year was ₹15.00 crore and ₹9.00 crore for guest house and freehold land & building Attebele respectively. The valuation was performed by Government of India approved valuer. The fair value measurement categorised as a level 3 fair value based on the inputs of the valuation technique used. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. No impairment loss was recognised in reclassification of the land and building as asset held for sale as the Directors of the Company, based on valuation report, expected that the fair value less cost to sell to be higher than the carrying amount.

The title deeds of Freehold land & building located Attebele, Karnataka included above having gross carrying value of ₹8.62 crore as at March 31, 2023 (net carrying value of ₹7.93 crore as at March 31, 2023), were in the name of Best Steel Logistics Limited (erstwhile name of Apollo Tricoat Tubes Limited). Apollo Tricoat Tubes Limited was merged with the Company in the previous year under section 230 and section 232 of the Companies Act, 2013 in terms of approval of Hon'ble National Company Law Tribunal, Principal bench, New Delhi and the land was pending transfer in the name of the Company post merger. The Company was holding the property since October 14, 2016.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

3. Investment (Non-current)

(₹ in crore)

3(a) Investments in equity instruments carried at fair value through the other comprehensive income - (unquoted, fully paid) :

Particulars	As at March 31, 2024	As at March 31, 2023
(i) 974,400 (March 31, 2023: 931,400) equity shares of ₹10 each fully paid up in Clover Energy Private Limited (see note (i) below)	0.97	0.93
(ii) 350,000 (March 31, 2023 : 350,000) equity shares of ₹10 each fully paid up in AMPSOLAR Urja Private Limited (see note (ii) below)	0.35	0.35
(iii) 2,900,000 (March 31, 2023: 2,900,000) equity shares of ₹10 each fully paid up in Radiance Ka Sunrise Two Private Limited (see note (iii) below)	2.90	2.90
(iv) 100,000 (March 31, 2023: 100,000) equity shares of ₹10 each fully paid up in APL Apollo Foundation (see note (iv) below)	0.10	0.10
Sub Total	4.32	4.28

Notes :

- The Group holds 3.50 % (March 31, 2023 : 3.35 %) equity shares of Clover Energy Private Limited, a Company engaged in the business of providing solar energy to its customers.
- The Group holds 8.61 % (March 31, 2023 : 10.87 %) equity shares of AMPSOLAR Urja Private Limited, a Company engaged in the business of providing solar energy to its customers.
- The Group holds 26.00 % (March 31, 2023 : 26.00 %) equity shares of Radiance Ka Sunrise Two Private Limited, a Company engaged in the business of providing solar energy to its customers.
- The Group had in previous year invested ₹0.10 crore in APL Apollo Foundation ('Foundation'), a Company registered under section 8 of the Companies Act, 2013. The Foundation was incorporated on April 19, 2022 and the purpose of the Foundation is to undertake CSR activities. As at March 31, 2024, the Group holds 66.67% (March 31, 2023 : 66.67%) equity shares of the Foundation.

3(b) Investments in equity instruments carried at fair value through the other comprehensive income - (quoted, fully paid) (see note below) :

Particulars	As at March 31, 2024	As at March 31, 2023
(i) 1,485,000 equity shares of ₹10 each fully paid in Shankara Building Products Limited (March 31, 2023 : 1,000,000)	95.20	61.30
Sub Total (A)	95.20	61.30

Notes :

The Company holds 1,485,000 equity shares of Shankara Building Products Limited (SBPL), representing 6.12% share in total share capital of SBPL (March 31, 2023 : 9.90%). The proposed investment has been made to ensure Company's growth strategy and consistency in sales. The investment in SBPL being strategic in nature are measured at fair value through other comprehensive income (OCI) since these are not held for trading purposes and thus disclosing it's fair value fluctuation in profit and loss account will not reflect the purpose of holding. Dividend of ₹0.25 crores (March, 2023 : ₹0.10 crores) was received on such investment.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

3(c) Investments in equity instruments carried at cost- (unquoted, partly paid) : (₹ in crore)

(i) Particulars	As at March 31, 2024	As at March 31, 2023
Nil equity share warrants issued at ₹750.00 each of Shankara Building Products Limited (paid up amount of ₹187.50 per share warrant) (March 31, 2023 : 1,400,000)	-	26.25
Sub Total (B)	-	26.25

Note :

During the year ended March 31, 2023, Shankara Building Products Limited (SBPL) made a preferential allotment of 1,400,000 convertible warrants amounting to ₹105.00 crores. The Company in previous year had paid 25% of the fair value of warrants i.e. ₹187.50 per warrant. In current year, the Company paid the balance 75% i.e. ₹ 562.50 per warrant and 1,400,000 warrants were converted into 1,400,000 equity shares.

3(d) Investments in equity instruments carried at fair value through profit and loss account - (quoted, fully paid) : (₹ in crore)

(ii) Particulars	As at March 31, 2024	As at March 31, 2023
Investment in mutual fund of Union Hybrid Equity Fund - regular plan growth (Nil units) (March 31, 2023 : 1,099,925 units at NAV of ₹9.64 per unit)	-	1.06
Sub Total	-	1.06
Total	-	1.06

3(e) Investments in compulsory convertible debentures carried at cost - (unquoted, fully paid) :

(i) 31,500 (March 31, 2023: 31,500) compulsory convertible debentures of ₹1,000 each fully paid up in AMP SOLAR Urja Private Limited		
Sub Total	3.15	3.15
Total	102.69	96.04
Market value of quoted investment	95.20	62.36
Investments carried at cost	-	26.25
Aggregated value of quoted investment	95.20	62.36
Aggregated value of unquoted investment	7.47	33.68
Investments carried at fair value through other comprehensive income	95.20	61.30

4. Loans (Non-current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loans to subsidiary companies (see notes below)	0.29	0.28
Total	0.29	0.28

Note :

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

5. Other financial assets (Non-current)

(Unsecured)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Claim receivable	0.60	0.54
Less : Provision created for doubtful claims receivable	0.27	0.27
	0.33	0.27
(b) Security deposit	29.58	32.11
(c) Balance in margin money with maturity of more than 12 months	2.40	1.83
Total	32.31	34.21

6. Non-current tax assets (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Advance income tax (net of provision of tax of ₹228.72 crore, March 31, 2023 : ₹165.76 crore)	10.04	6.55
Total	10.04	6.55

7. Other non-current assets

(unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Capital advances	196.53	195.24
(b) Prepaid expenses	0.08	2.37
(c) Value added tax (VAT) credit receivable	-	1.92
(d) Goods & Service tax credit receivable (see note (i) below)	15.72	
(e) Income tax deposit refundable	0.92	0.92
(f) Security deposit	-	0.01
(g) Payment under protest (see note (ii) below)		
(i) Excise duty	0.24	0.24
(ii) Value added tax	1.37	0.39
(iii) Goods & service tax	0.03	-
(iv) Income Tax	1.26	1.26
Total	216.15	202.35

Note

(i) **In Blue Ocean Projects Private Limited:**

Goods and Service Tax (GST) credit amounting to ₹15.72 crore is expected to be adjusted after one year and accordingly classified as non current. This includes ₹13.42 crore input credit on construction of immovable properties which has not been utilized by the Company pending judgement by the Hon'ble Supreme Court on matter relating to utilization of credit towards outwards taxable supplies.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

8. Inventories

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Raw material (including stock-in-transit)	483.35	346.92
(b) Work in progress (including stock-in-transit)	293.35	375.55
(c) Stock in trade	77.51	4.67
(d) Finished goods (including stock-in-transit)	661.14	670.50
(e) Stores and spares (including stock-in-transit)	58.90	45.98
(f) Rejection and scrap (including stock-in-transit)	63.68	36.25
Total	1,637.93	1,479.87

Notes :

- (i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to ₹15,745.37 crore (March 31, 2023 : ₹ 14,132.84 crore).

(ii) Details of stock-in-transit

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material	-	2.20
Work in progress	1.93	5.22
Finished goods	82.62	65.78
(iii) Provision for slow moving inventory of stores & spares.	1.42	4.34
(iv) Stock lying with third party	1.58	-
(v) The mode of valuation of inventories has been stated in note 1(ii)(m) of material accounting policies.		
(vi) Inventories have been pledged as security towards group's borrowings from banks.		

9. Trade receivables (Current)

(Unsecured)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good		
(i) Related parties	-	0.04
(ii) Other than related parties	139.08	137.40
Sub total	139.08	137.44
(b) Considered doubtful (other than related parties)	3.16	2.25
Less: Allowance for trade receivables (expected credit loss allowance)	(3.16)	(2.25)
Sub total	-	-
Total	139.08	137.44

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

- (i) The average credit period on sale of goods is 0-60 days. No interest is charged on the trade receivables for the amount overdue above the credit period. As at March 31, 2024, there is no customer who represent more than 10% of total balance of trade receivables, except as disclosed below. Customers who represent more than 10% of the total balance of trade receivables as at March 31, 2023 are as follows:

(₹ in crore)

Particulars	As at March 31, 2024
Customer A	35.61
Customer B	7.23
Customer C	15.16
	58.00
% of total trade receivables	41.70

Particulars	As at March 31, 2023
Customer A	19.46
Customer B	19.25
	38.71
% of total trade receivables	28.16

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

(1) Movements in expected credit loss is as below :

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.25	5.88
Provison (written back) / Charge in statement of profit and loss	0.91	0.94
Utilised during the year	-	(4.57)
Balance at the end of the year	3.16	2.25

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(2) Ageing of trade receivables and credit risk arising there from is as below : (₹ in crore)

Particulars	As at March 31, 2024						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	100.71	35.04	3.33	-	-	-	139.08
Undisputed trade receivables - credit impaired	0.14	1.20	0.44	1.26	-	0.13	3.16
	100.85	36.24	3.78	1.26	-	0.13	142.24
Less : Allowance for credit losses							3.16
							139.08

(₹ in crore)

Particulars	As at March 31, 2023						Total
	Outstanding for following periods from due date of payment						
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	125.76	10.59	1.09	-	-	-	137.44
Undisputed trade receivables - credit impaired	0.26	0.45	1.20	-	-	0.34	2.25
	126.02	11.04	2.29	-	-	0.34	139.69
Less : Allowance for credit losses							2.25
							137.44

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(3) Ageing wise % of expected credit loss

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Not yet due	0.00 % to 0.15 %	0.00 % to 0.21 %
Less than six months	0.16 % to 3.30 %	0.22 % to 4.11 %
6 months- 1 year	3.31 % to 11.66 %	4.12 % to 52.28 %
1-2 years	11.67 % to 100.00 %	52.29 % to 100.00 %
2-3 years	100.00 %	100.00 %
More than 3 years	100.00 %	100.00 %

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

Note :

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

10. Cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Cash on hand	0.36	0.16
(b) Balances with banks - in current accounts	43.26	8.13
(c) Balances with banks - in cash credit accounts (see note 21)	90.10	114.40
(d) In fixed deposits with original maturity of less than 3 months at inception	211.44	-
Total	345.16	122.69

11. Bank balances other than cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) In earmarked accounts		
(i) Unpaid dividend account	0.44	0.56
(ii) Escrow account (see note 46(b))	2.00	2.34
(iii) In fixed deposits with maturity more than 3 months & less than 12 months at inception - with banks	-	100.64
(iv) In margin money with maturity more than 3 months & less than 12 months at inception - with banks	-	126.24
Total	2.44	229.78

12. Loans (Current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loans to employees	3.63	1.34
Total	3.63	1.34

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

13. Other financial assets (Current)

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Government grants		
(i) GST refund and Capital Interest subsidy receivable [See note 27(ii)]	48.93	1.04
(ii) Export incentives	0.86	-
(iii) Other government incentives receivables [See note 34(i)]	4.23	-
(b) In fixed deposits with bank original maturity more than 12 months (See note below)	793.01	277.00
(c) Interest accrued but not due on fixed deposits	24.89	18.65
(d) Security deposit	0.01	-
(e) Claim receivables	9.15	0.08
(f) Derivative assets (net)	-	0.99
Total	881.08	297.76

Note

Fixed deposits of ₹614.20 crores (March 31, 2023 : ₹ Nil) are pledged as security towards credit facilities availed from banks. As at year end March 31, 2024, no borrowings were outstanding against the fixed deposits pledged as security.

14. Other current assets

(Unsecured, considered good unless otherwise stated)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Advance to suppliers	129.17	66.60
Less : Provision for doubtful advances	0.56	0.56
	128.61	66.04
(b) Balances with government authorities		
(i) Goods and services tax (GST) credit receivable	186.33	198.36
(ii) Advance Goods and service tax credit on import of goods	-	0.69
(c) GST refund receivable	7.96	-
(d) Claim receivables	3.90	1.93
(e) Prepaid expenses	4.24	2.38
(f) Custom Duty receivable	1.00	
(g) Value added tax (VAT) credit receivable	0.13	0.35
Less : Provision created for doubtful payment under protest	0.13	0.13
	-	0.22
Total	332.04	269.62

Note :

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

15. Equity

15(a) Equity share capital

(₹ in crore, except otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorised capital				
Equity shares of ₹2 each (March 31, 2023 : ₹2 each)	48,50,00,000	97.00	48,50,00,000	97.00
	48,50,00,000	97.00	48,50,00,000	97.00
Issued capital				
Equity shares of ₹2 each (March 31, 2023 : ₹2 each)	27,75,24,564	55.51	27,73,30,814	55.47
	27,75,24,564	55.51	27,73,30,814	55.47
Subscribed and fully paid up capital				
Equity shares of ₹2 each (March 31, 2023 : ₹2 each)	27,75,24,564	55.51	27,73,30,814	55.47
	27,75,24,564	55.51	27,73,30,814	55.47

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

Particulars	Number of shares		Amount (₹ in Crore)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Equity share capital				
Outstanding at the beginning of the year	27,73,30,814	25,02,80,500	55.47	50.06
Add: Issue of shares under Company's employee stock option plan (see note 38(d))	1,93,750	1,90,314	0.04	0.04
Add : Issue of shares to minority shareholders of Tricoat under merger scheme (see note 45)	-	2,68,60,000	-	5.37
Outstanding at the end of the year	27,75,24,564	27,73,30,814	55.51	55.47

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

The Company has one class of equity shares having a par value of ₹2 each (March 31, 2023 : ₹2 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights (see note (vii) below)				
APL Infrastructure Private Limited	7,68,60,062	27.69%	7,80,00,000	28.13%
Kitara PIIN 1001	1,83,29,179	6.60%	1,86,33,768	6.72%
SmallCap World Fund INC	1,50,00,735	5.41%	1,57,82,000	5.69%

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

Name of promoter	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
APL Infrastructure Private Limited	7,68,60,062	27.69%	7,80,00,000	28.13%
Sanjay Gupta	4,535	-	3,50,000	0.13%
Veera Gupta	48,43,882	1.75%	54,20,000	1.95%
Rahul Gupta	-	-	15,01,000	0.54%
Rohan Gupta	-	-	11,25,000	0.41%
Total	8,17,08,479	29.44%	8,63,96,000	31.16%

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

Name of promoter	Increase / (decrease) in sharholding (Year ended March 31, 2024)		Increase / (decrease) in sharholding (Year ended March 31, 2023)	
APL Infrastructure Private Limited		(0.44)%		(3.04)%
Sanjay Gupta		(0.12)%		(0.01)%
Veera Gupta		(0.20)%		(0.21)%
Rahul Gupta		(0.54)%		(0.06)%
Rohan Gupta		(0.41)%		(0.04)%

*Promoter means promoter as defined in the Companies Act, 2013.

(vi) Share options granted under the Company's employee share options plans

As at March 31, 2024, executives and senior employees held Nil options of the Company (March 31, 2023 : 193,750 equity shares of ₹ 2 each). Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in note 38.

(vii) The Board of Directors of APL Apollo Tubes Limited ('Company') in its meeting held on August 6, 2021 had recommended for approval by shareholders, bonus issue of 1 (one) equity share of ₹ 2 each for every 1 (one) equity shares of ₹ 2 each held by shareholders of the Company as on the record date, subject to approval of the shareholders.

Pursuant to the approval of the shareholders through postal ballot (including remote e-voting), the Company allotted 124,896,000 bonus equity shares of ₹2 each as fully paid-up bonus equity shares, in the proportion of 1 (One) equity share of ₹2 each for every 1 (One) existing equity shares of ₹2 each to the equity shareholders of the Company as on record date of September 18, 2021. Consequently, the Company capitalised a sum of ₹24.98 crore from 'other equity' to 'equity share capital' in earlier year.

The earning per share was consequently adjusted for bonus issue..

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

15(b) Other equity (excluding non-controlling interest)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	408.37	403.69
General reserve	39.97	39.97
Capital Reserve	8.01	8.01
Retained earnings	3,103.50	2,509.37
Share option outstanding account	-	1.82
Items of other comprehensive income	(10.73)	(12.72)
Total	3,549.11	2,950.14
(1) Securities premium		
Balance at the beginning of the year	403.69	400.98
Add: issue of shares under Company's employee stock option plan	4.68	2.71
Balance at the end of the year	408.37	403.69
(2) General reserve		
Balance at the beginning of the year	39.97	39.97
Balance at the end of the year	39.97	39.97
(3) Capital reserve		
Balance at the beginning of the year	8.01	8.01
Balance at the end of the year	8.01	8.01
(4) Share capital pending allotment		
Balance at the beginning of the year	-	5.37
Less : Share capital issued during the year to minority shareholders of Tricoat (see note 45)	-	(5.37)
Balance at the end of the year	-	-
(5) Retained earnings		
Balance at the beginning of the year	2,509.37	1,955.34
Add : Profit for the year ended March 31, 2024	732.79	641.63
Dividend paid during the year	(138.67)	(87.60)
Balance at the end of the year	3,103.50	2,509.37
(6) Share option outstanding account		
Balance at the beginning of the year	1.82	1.58
Add : Addition during the year	0.10	0.25
Less : Transfer to securities premium reserve	(1.92)	(0.01)
Balance at the end of the year	-	1.82
(7) Items of other comprehensive income		
Balance at the beginning of the year	(12.72)	2.70
Add: Equity instruments through other comprehensive income	1.99	(15.42)
Balance at the end of the year	(10.73)	(12.72)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Nature and purpose of reserves :-

- (i) **Securities premium** : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 ("the Companies Act").
- (ii) **General reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. General reserves represents the free profits of the Company available for distribution. As per the Companies Act, certain amount was required to be transferred to General Reserve every time Company distribute dividend. General reserve is not an item of OCI, items included in the general reserve will not be reclassified to profit or loss.
- (iii) **Capital reserve** : The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as capital reserve. The reserve is not available for distribution.
- (iv) **Retained earnings** : It represents unallocated/un-distributed profits of the Group. The amount that can be distributed as dividend by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.
- (v) **Share option outstanding account** : The Company offers ESOP under which options to subscribe for the Company's share have been granted to certain employees and senior management. The share option outstanding account is used to recognise the value of equity settled share based payments provided as part of the ESOP scheme. (see note 38)
- (vi) **Items of other comprehensive income** : It represents profits / (loss) of the Group which will not be reclassified to statement of profit or loss.

16. Borrowings (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Term Loan:		
- From banks		
(i) Secured (see note (i) below)	756.19	390.32
(b) Interest free loan		
- From others		
Unsecured loan (see note (iii) below)	30.32	17.81
Total	786.51	408.13

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
(i) Term loan from banks are secured as follows:				
In case of Holding Company :				
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta.	-	8.34	8.34	11.11
The loan outstanding is repayable in 3 quarterly instalments payable from April 2024 and ending in October 2024. Applicable rate of interest is 8.78 % (March 31, 2023 : 8.78%).				
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 3 quarterly instalments payable from April 2024 and ending in October 2024. Applicable rate of interest is 8.78 % (March 31, 2023 : 8.78%).	-	16.67	16.67	22.22

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding as at March 31, 2023 was repayable in 3 quarterly instalments payable from June 2023 and ending in December 2023. Applicable rate of interest was 4.15%. During the year, loan has been repaid. Closing balance of loan as on March 31, 2024 is Nil (March 31, 2023 : USD 4,603,002) equivalent to ₹16.23 crore.	-	-	-	16.23
Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personel gurantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 3 equal half yearly installments payable from May 2024 and ending in May 2025. Applicable rate of interest is 8.78% p.a. (March 31, 2023: 8.78% p.a.)	1.66	3.30	4.97	3.30

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
<p>Term Loan facilities are secured by first pari passu charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term Loan facilities of APL Apollo Tubes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balaganahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Term loan facilities are further secured by second charge on the entire present and future current assets of the company. Credit facilities are further secured by personal guarantee of the Mr. Sanjay Gupta and Mr. Vinay Gupta. The loan outstanding is repayable in 7 equal half yearly installments payable from June 2024 and ending in December 2025. Applicable Rate of Interest is 8.78% p.a. (March 31, 2023: 8.78% p.a.)</p>	7.50	10.00	17.50	10.00
In case of APL Apollo Building Products Limited				
<p>Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2024 and ending in March 2028. Applicable Rate of Interest is 7.90% p.a. (March 31, 2023 : 7.97% p.a.)</p>	15.00	5.00	20.00	5.00
<p>Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 12 quarterly installments commencing from April 2024 and ending in January 2027. Applicable Rate of Interest is 8.69% p.a. (March 31, 2023 : 8.35% p.a.)</p>	12.50	6.25	18.75	6.25

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 12 quarterly installments commencing from April 2024 and ending in January 2027. Applicable Rate of Interest is 8.67% p.a. (March 31, 2023 : 8.35% p.a.)	12.50	6.25	18.75	6.25
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 12 quarterly installments commencing from June 2024 and ending in March 2027. Applicable Rate of Interest is 7.85% p.a. (March 31, 2023 : 7.85% p.a.)	25.00	12.50	37.50	12.50
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2024 and ending in March 2028. Applicable Rate of Interest is 7.90% p.a. (March 31, 2023 : 7.97% p.a.)	68.24	22.75	90.99	22.75
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2024 and ending in March 2028. Applicable Rate of Interest is 7.90% p.a. (March 31, 2023 : 7.97% p.a.)	18.00	6.00	24.00	6.00
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2024 and ending in March 2028. Applicable Rate of Interest is 7.90% p.a. (March 31, 2023 : 7.97% p.a.)	2.91	0.97	3.88	0.97

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2024 and ending in March 2028. Applicable Rate of Interest is 7.90% p.a. (March 31, 2023 : 7.97% p.a.)	10.47	3.49	13.96	3.49
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2024 and ending in March 2028. Applicable Rate of Interest is 8.20% p.a. (March 31, 2023 : 7.97% p.a.)	30.00	10.00	40.00	10.00
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 12 quarterly installments commencing from April 2024 and ending in January 2027. Applicable Rate of Interest is 8.56% p.a. (March 31, 2023 : 8.35% p.a.)	50.00	25.00	75.00	25.00
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by Letter of comfort of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from May 2024 and ending in February 2029. Applicable Rate of Interest is 8.39%	200.00	50.00	-	-
20,000 (Twenty Thousand) rated, listed, senior, unsecured, redeemable, taxable, transferable, non-convertible debentures (NCDs) having Face Value of ₹100,000 (Rupees One Lakh Only) each aggregating to ₹2,000,000,000/- (Rupees Two Hundred Crores Only) on Private Placement basis. The NCDs are payable at 3 years from Date of Allotment (i.e. April 25, 2023). Interest of 7.80 % percent per annum is payable annually.	200.00	-	-	-
In case of APL Apollo Tubes Company LLC				
Term loan facilities are secured by exclusive charge on plant and machinery of the subsidiary Company. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from August 2024 and ending in May 2028. Applicable Rate of Interest is 6.55% p.a. (March 31, 2023 : Nil)	49.98	9.37	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
Term loan facilities are secured by mortgage of leasehold land in Sector 710, Block 22, Plot 9 to 26, Umm Dera, Umm Al Quwain, UAE. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 14 quarterly installments commencing from July 2025 and ending in October 2028. Applicable Rate of Interest is 6.90% p.a. (March 31, 2023 : Nil)	52.43	-	-	-
(ii) Vehicle loan from bank				
Vehicle Loan is secured by way of hypothecation of respective vehicle and repayable in 36 monthly installments payable from February 2021. As on March 31, 2024 there were 10 installments outstanding. Applicable rate of interest is 7.75% p.a (March 31, 2023 : 7.75% p.a).	-	-	-	0.02
(iii) Interest free loan from government				
In case of APL Apollo Tubes Limited :				
The Company during the year has received interest free loan of ₹12.23 crores (March 31, 2023 : ₹26.45 crore) from government repayable in financial year 2028-2029. Using prevailing market interest rates for an equivalent loan of 7.50% (March 31, 2023 : 7.50%) in the year of grant, the fair value of loan is estimated at ₹7.37 crore (As at March 31, 2023 : 15.94). The difference of ₹4.86 crore (As at March 31, 2023 : ₹10.51) between the gross proceeds and the fair value of the loan is recognised as deferred income. (see note 20)	26.21	-	17.14	-
In case of Apollo Metalex Private Limited :				
The Company has received interest free loan aggregating of ₹6.42 crores (March 31, 2023 of ₹0.98 crores) from government repayable in Financial year 2026-2027 to Financial year 2030-31. Using prevailing market interest rates for an equivalent loan of 6.70% to 7.50% in the year of grant, the fair value of these loans is estimated at ₹3.98 crore (As at March 31, 2023 : ₹0.59 crore). The difference of ₹2.46 crore (As at March 31, 2023 : ₹0.39 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income. (see note 20)	4.10	-	0.68	-
Total	786.51	195.89	408.13	161.09

17. Other financial liabilities (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred payment (see note below)	0.35	0.50
Total	0.35	0.50

Note :

The Company has deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan was estimated at ₹0.56 crore as on March 31, 2024 (March 31, 2023 : ₹0.71 crore). The difference of ₹0.08 crore (March 31, 2023 : ₹0.14 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income. (See note 20, 23 & 24)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

18. Provisions (Non-current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	8.38	7.54
(b) Provision for gratuity (see note 37)	17.63	14.24
Total	26.01	21.78

19. Deferred Tax Liabilities (net)

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

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Deferred Tax Liabilities on account of		
- Property, plant and equipments and other intangible assets	152.99	131.68
- Right of use assets	1.82	1.62
- Others	-	(0.96)
Total deferred tax liabilities (A)	154.81	132.34
(ii) Deferred Tax Assets on account of		
- Allowance for expected credit loss	0.84	0.60
- Investment	0.17	1.39
- Provision for employee benefit expenses	7.51	6.83
- Loss as per income tax computation available for offsetting against future taxable income	19.03	6.03
- Others	1.47	0.35
Total deferred tax assets (B)	29.02	15.20
Disclosed as Deferred Tax Liabilities (Net - A-B)	125.79	117.14

(b) Movement in deferred tax liabilities / asset	As at April 1, 2022	Other adjustment	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Liabilities (A)					
Property, plant and equipments and other intangible assets	123.11	(2.59)	11.16	-	131.68
Right of use assets	1.62	-	-	-	1.62
Investment	0.60	-	-	(1.99)	(1.39)
Others	0.78	-	(1.74)	-	(0.96)
Total	126.11	(2.59)	9.42	(1.99)	130.95
Deferred Tax Assets (B)					
Provision for employee benefit expenses	5.53	-	1.21	0.09	6.83
Allowance for expected credit loss	1.52	-	(0.92)	-	0.60
Loss as per income tax computation available for offsetting against future taxable income	-	-	6.03	-	6.03
Others	0.35	-	-	-	0.35
Total	7.40	-	6.32	0.09	13.81
Deferred tax liabilities (Net - A-B)	118.71	(2.59)	3.10	(2.08)	117.14

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Movement in deferred tax liabilities / asset	As at April 1, 2023	Other adjustment	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	as at March 31, 2024
Deferred Tax Liabilities (A)					
Property, plant and equipments and other intangible assets	131.68	1.16	20.15	-	152.99
Right of use assets	1.62	-	0.20	-	1.82
Total	133.30	1.16	20.35	-	154.81
Deferred Tax Assets (B)					
Provision for employee benefit expenses	6.83	-	0.80	(0.12)	7.51
Investment	1.39	-	(0.96)	(0.26)	0.17
Allowance for expected credit loss	0.60	-	0.24	-	0.84
Loss as per income tax computation available for offsetting against future taxable income	6.03	-	13.00	-	19.03
Others	1.31	-	0.16	-	1.47
Total	16.16	-	13.24	(0.38)	29.02
Deferred tax liabilities (Net - A-B)	117.14	1.16	7.11	0.38	125.79

20. Other Non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Deferred liability - government grant for		
- Deferred liability related to purchase of property, plant and equipment (see note (i) below)	116.45	109.82
- Deferred liability related to Interest free loan (see note (ii) below)	2.04	8.34
- Deferred liability related to sales tax (see note (iii) below)	10.49	0.06
Total	128.99	118.22

Note :

(i) Deferred income arises in respect of import of property, plant and equipment without payment of custom duty under Export Promotion Capital Goods Scheme. The income is recognised in Profit or loss on a straight line basis over the useful life of the related assets. (see note 36(b)(2)).

(ii) In APL Apollo Tubes Limited :

The Holding Company during the year has received interest free loan of ₹12.23 crores (March 31, 2023 : ₹26.45 crore) from government repayable in financial year 2028-2029. Using prevailing market interest rates for an equivalent loan of 7.50% (March 31, 2023 : 7.50%) in the year of grant, the fair value of loan is estimated at ₹7.37 crore (As at March 31, 2023 : 15.94). The difference of ₹4.86 crore (As at March 31, 2023 : ₹10.51) between the gross proceeds and the fair value of the loan is recognised as deferred income.

In Apollo Metalex Private Limited :

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

- (iii) The Group has deferred liability related to sales tax of ₹1.05 crore of year ending March, 2016 payable in March, 2026. Using prevailing market interest rates for an equivalent loan of 10.00% in the year of grant, the fair value of loan was estimated at ₹0.56 crore as on March 31, 2024 (March 31, 2023 : ₹0.71 crore). The difference of ₹0.08 crore (March 31, 2023 : ₹0.14 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income. (See note 23 & 24).

21. Borrowings (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Loan repayable on demand		
- From banks (Secured)	142.15	303.70
(i) Working capital facilities (see note (i) below)		
(b) Current Maturity of non current borrowings (see note 16)	195.89	161.09
Total	338.04	464.79

Nature of security :

(i) In case of holding Company

Working capital facilities of APL Apollo Tubes Limited from banks are secured by first pari passu charge on entire present and future current assets and second charge on present and future movable fixed assets of the company situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur, and M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra and Residential Complex situated at Murbad, Distt. Thane, Maharashtra and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibele, Anekal Taluk, Bangalore and Dujana, Dadri, Gautam Budhha Nagar, Uttar Pradesh and Malur, Kolar, Karnataka. Working capital facilities are further secured by second charge through equitable mortgage of the company land and building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra No. 215, 223/1, 225/7-8, 225/9-10, 227/4, 231/2, 217/1-2 Part, 231/6 Part at village Bendri, Tehsil Raipur, Dist. – Raipur and 443,444,538,539 Wadiaram village Chegunta (Mandal) Medak district Telangana 502255 and KIADB Industrial Area, Plot No. 9-11, Balagaranahalli Village, Attibele, Anekal Taluk, Bangalore and 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. Vinay Gupta.

In case of Apollo Metalex Private Limited

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

In case of APL Apollo Building Products Private Limited

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

In case of APL Apollo Tubes Company LLC

Working Capital facilities are secured by first pari passu charge on entire present and future current assets of the company. Working Capital facilities are further secured by Corporate guarantee of APL Apollo Tubes Limited.

- (ii) Overdrawn facilities from banks are secured in the form of fixed deposits with banks. As at year end March 31, 2024, no borrowings were outstanding against the fixed deposits pledged as security. (See note 13)

22. Trade payables (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) (see note 46(a))	13.12	15.23
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,968.51	1,581.77
Total	1,981.63	1,597.00

Outstanding for following periods from date of transaction :

(₹ in crore)

Particulars	As at March 31, 2024					Total
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	13.12	-	-	-	13.12
Total outstanding dues of creditors other than MSME	141.50	1,825.51	0.18	0.34	0.97	1,968.51
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	141.50	1,838.63	0.18	0.34	0.97	1,981.63

(₹ in crore)

Particulars	As at March 31, 2023					Total
	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	15.21	-	0.02	-	15.23
Total outstanding dues of creditors other than MSME	386.86	1,193.82	-	0.16	0.93	1,581.77
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-
	386.86	1,209.03	-	0.18	0.93	1,597.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

23. Other financial liabilities (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Security deposit	0.69	0.92
(b) Payable on purchase of property, plant and equipment	20.31	22.56
(c) Retention money payable	19.82	7.98
(d) Unclaimed dividends	0.44	0.56
(e) Deferred payment	0.21	0.21
(f) Interest accrued but not due on borrowings	18.98	3.76
Total	60.45	35.99

24. Other current liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Statutory remittances	29.11	27.66
(b) Advance from customers	32.12	22.06
(c) Advance received against sale of property, plant & equipment	-	3.00
(d) Deferred income (see note 20)		
- Deferred liability related to purchase of property, plant and equipment	7.59	7.08
- Deferred liability related to sales tax	0.36	0.07
- Deferred liability related to Interest free loan	1.98	1.29
Total	71.16	61.16

25. Provisions (Current)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	0.70	0.56
(b) Provision for gratuity (see note 37)	0.58	0.94
Total	1.28	1.50

26. Current tax liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for tax (net of advance tax ₹478.58 crore, March 31, 2023 : ₹513.12 crore)	42.26	19.72
Total	42.26	19.72

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

27. Revenue from operations

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of products (see note (i) below)	17,506.89	15,674.35
(b) Other operating revenue (see note (ii) below)	611.91	491.60
Total	18,118.80	16,165.95

(i) Reconciliation of revenue recognised with contract price :

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	18,190.69	16,311.97
Adjustments for:		
Discount & incentives	(683.80)	(637.62)
Revenue from operations	17,506.89	15,674.35

(ii) Other operating income comprises :

Sale of scrap	561.33	489.68
Government grant income	48.03	-
Export incentives	2.46	1.91
Job work	0.09	-
Total	611.91	491.59

Note :

In Apollo Metalex Private Limited :

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

During the current year, the Company year has recognized cumulative grants towards State Goods & Service tax (SGST) deposited aggregating to ₹48.03 crore (including ₹32.41 crores related to earlier years) and capital interest subsidy related to earlier years of ₹0.90 crore (see note 28).

28. Other income

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income on fixed deposits	42.54	21.07
(b) Interest income on others	0.85	1.30
(c) Interest income - capital interest subsidy (see note 27(ii))	0.90	-
(d) Profit on sale of property, plant and equipment (net)	5.53	-
(e) Gain on foreign currency transactions (net)	10.74	11.28
(f) Miscellaneous income (see note below)	14.31	13.53
Total	74.87	47.18

Note :

Miscellaneous income includes (a) Export obligation deferred income amortisation of ₹5.63 crore (March 31, 2023 : ₹4.21 crore), (b) Interest subsidy benefit on borrowings for exports of ₹3.48 crore (March 31, 2023 : ₹2.91 crore), (c) unwinding of interest income on grant of ₹2.63 crore (March 31, 2023 : ₹1.20 crore) and (d) other miscellaneous income of ₹2.57 crore (March 31, 2023 : ₹5.21 crore).

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

29. Cost of materials consumed

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories of raw material as at the beginning of the year	346.51	312.53
Add: Purchases during the year	15,505.72	14,356.94
Less: Inventories of raw material as at the end of the year	483.35	346.92
Total	15,368.88	14,322.55

30. Changes in inventories of finished goods, stock in trade, work-in-progress, rejection and scrap

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of the year:		
(a) Finished goods	661.14	670.50
(b) Stock in trade	77.51	4.67
(c) Work in progress	293.35	375.55
(d) Rejection and scrap	63.68	36.25
	1,095.68	1,086.97
Inventories at the beginning of the year:		
(a) Finished goods	670.50	313.28
(b) Stock in trade	4.67	5.46
(c) Work in progress	375.55	172.47
(d) Rejection and scrap	36.25	13.34
Inventories at the beginning of the year:	1,086.97	504.55
Total	(8.71)	(582.42)

31. Employee benefits expense

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Salaries and wages	237.35	189.80
(b) Contribution to provident fund (see note 37)	9.60	7.95
(c) Gratuity expense (see note 37)	4.53	3.70
(d) Share-based payments to employees (see note 38)	0.13	0.26
(e) Staff welfare expenses	6.00	4.48
Total	257.61	206.19

During the year, the Group recognised ₹18.93 crore including commission of ₹4.03 crore (March 31, 2023 ₹9.35 crore including commission of ₹ Nil) as remuneration to key managerial personnel. The details of such remuneration is as below :

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Short term employee benefits	16.55	9.00
(ii) Post employment benefits (Gratuity expense)	0.25	0.22
(iii) Other long term employee benefits (Leave encashment expense)	0.35	0.13
Total	17.15	9.35

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

32. Finance costs

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest expense :		
(i) working capital facilities	47.01	31.37
(ii) term loan	41.50	29.31
(iii) debentures	15.35	-
(iv) leases liabilities	-	0.03
(v) delayed payment of income tax	0.01	0.07
	103.87	60.78
(b) Other borrowing cost	9.52	6.31
Total	113.39	67.09

33. Depreciation and amortisation expense

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Depreciation on property, plant and equipment (see note 2(a))	173.28	135.62
(b) Amortisation on right of use assets (see note 2(c))	1.76	1.84
(c) Amortisation on intangible assets (see note 2(e))	0.89	0.52
(d) Depreciation on capital work in progress	-	0.35
Total	175.93	138.33

34. Other expenses

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Freight outward	508.81	474.15
(b) Power and fuel (see note (i) below)	256.98	217.37
(c) Consumption of stores and spare parts	128.17	105.82
(d) Derivatives measured at fair value through profit and loss	1.28	1.02
(e) Advertisement and sales promotion	44.91	28.83
(f) Rent expense	4.62	4.81
(g) Travelling and conveyance	17.33	12.47
(h) Legal and professional charges	13.27	10.91
(i) Job work charges	2.82	-
(j) Repair and maintenance:		
(i) Building	0.60	0.94
(ii) Plant and machinery	14.08	10.29
(iii) Others	2.20	2.79
(k) Rates and taxes	6.93	2.73
(l) Security services	4.77	3.68
(m) Allowance for expected credit loss	0.91	0.94
(n) Loss on sale of property, plant and equipment (net)	0.71	0.94
(o) Corporate social responsibility (see note 46(b))	13.67	11.09

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(p) Insurance	2.69	2.74
(q) Provision for slow moving inventory of stores and spares	1.42	1.32
(r) Management support services	-	-
(s) Miscellaneous expenses	25.65	18.33
Total	1,051.82	911.18

Note

(₹ in crore)

(i) **In APL Apollo Building Products Private Limited :**

The subsidiary Company is eligible for incentives as per Industrial Policy 2019-24 of Government of Chhattisgarh for its plant at Raipur, Chhattisgarh. The Company has during the year ended March 31, 2024 received requisite approvals in this regard. Accordingly, the Company has recognised cumulative electricity duty subsidy of ₹4.23 crores which has been netted off from power & fuel expense.

35. Earnings per Equity share

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

(₹ in crore, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share (a)	732.44	641.86
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (b)	27,73,96,166	27,72,02,548
Adjustments for calculation of diluted earnings per share (Employee stock option)(Number) (c)	-	1,93,750
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (d=b+c)	27,73,96,166	27,73,96,298
Nominal value of equity shares	2	2
(a) Basic earnings per share in ₹ (a/b)	26.40	23.15
(b) Diluted earnings per share in ₹ (a/d)	26.40	23.14

In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for earlier years was arrived at after giving effect to bonus issue. Also see note 15(a)(vii).

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Contingent liabilities (for pending litigations)		
(1) Disputed claims/levies in respect of sales tax:		
- Reversal of input tax credit	11.69	3.21
- Provisional Assessment	-	1.09
	11.69	4.30
(2) Disputed claims/levies in respect of excise duty :		
- Availability of input credit	10.28	10.28
- Excise demand on excess / shortages	5.91	5.91
	16.19	16.19
(3) Disputed claims/levies in respect of service tax :	-	0.94
(4) Disputed claims/levies in respect of Income Tax	7.30	5.72
(5) Disputed claims/levies in respect of Goods & service tax (see note (i) below) (net of provision of ₹0.36 crore, March 31, 2023 : ₹ Nil))	0.98	-
Total	36.16	27.16

- (i) The Company has during the year received demand order for ₹108.31 crores (including interest and penalty of ₹63.06 crores) from State Tax Officer, Hosur, Tamil Nadu. The Company subsequent to year end filed a writ petition in Hon'ble High Court of Chennai. The Hon'ble High Court of Chennai has set aside the demand order amounting to ₹107.73 crores and has remanded back the case to State Tax Officer, Hosur, Tamil Nadu.
- (ii) Based upon the legal opinion obtained by the management, there are various interpretation issues and thus management is in the process of evaluating the impact of the recent Supreme Court Judgement in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Group if any, can not be ascertained.
- (iii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially effect on its consolidated financial statements.
- (iv) During the current year, APL Apollo Mart Limited ('Apollo Mart') (wholly owned subsidiary of the Company) got covered under the definition of NBFC as per Reserve Bank of India Act (RBI), 1934 since it met the 50-50 test for determining financial activity as its principal business. Apollo Mart intends to continue with its principal business of trading in HR Coils & related products and accordingly the management believes the situation is temporary. The management will approach RBI to seek necessary exemptions to consider the Apollo Mart as not a NBFC. Accordingly, the financial statements and the disclosures have been prepared in accordance with Division II of schedule III of the Companies Act, 2013 as applicable to non NBFC.

(b) Commitments

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

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Property, plant and equipments	73.28	201.34

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

The export obligation is to be fulfilled within a period of 6 years from the date of issuance of license. Under this scheme the Group has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Group is required to export of FOB value of ₹433.81 crore (March 31, 2023 ₹370.78 crore) against which the Group has saved a duty of ₹83.25 crore (March 31, 2023 ₹61.84 crore).

- (3) The Holding Company has given corporate guarantees amounting to ₹183.00 crores, ₹1010.00 crores and ₹289.05 crores on behalf of its subsidiaries i.e. Apollo Metalex Private Limited, APL Apollo Building Products Private Limited and APL Apollo Tubes Company LLC respectively for loans and credit facilities taken by them from banks and financial institutions. The loan outstanding as at March 31, 2024 of Apollo Metalex Private Limited is ₹ Nil (March 31, 2023 ₹ Nil), APL Apollo Building Products Private Limited is ₹794.83 crores (March 31, 2023 ₹443.66 crores) and APL Apollo Tubes Company LLC is ₹163.58 crores (March 31, 2023 ₹ Nil).
- (4) The Group has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services, employee's benefits. The Group does not have any other long term commitments or material non-cancellable contractual commitments /contracts, including derivative contracts for which there were any material foreseeable losses.
- (c) There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

37. Employee benefit obligations

(a) Defined contribution plans

The Group makes provident fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹9.60 crore (Year ended March 31, 2023 ₹7.95 crore) for Provident Fund contributions in the statement of profit and loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(b) Defined benefit plans

a) Gratuity

The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of ₹0.20 crore (March 31, 2023 : ₹0.20 crore). Vesting occurs upon completion of 5 years of service. The scheme is funded with APL Apollo Tubes Limited Employees Group Gratuity Trust.

The Company has made Nil contribution in current and previous year to APL Apollo Tubes Limited Employees Group Gratuity Trust.

(₹ in crore)

Particulars	As at March 31, 2024		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.58	17.63	18.21
Total employee benefit obligations	0.58	17.63	18.21

Particulars	As at March 31, 2023		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.94	14.24	15.18
Total employee benefit obligations	0.94	14.24	15.18

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(i) Movement of defined benefit obligation :

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

(₹ in crore)	
Particulars	Gratuity
Opening balance as at April 1, 2022	15.04
Current service cost	2.87
Interest expense/(income)	1.10
Expected return on plan assets	(0.27)
Total amount recognised in profit or loss	3.70
Remeasurements	
effect of change in financial assumptions	0.09
effect of change in demographic assumptions	-
effect of experience adjustments	(0.01)
changes in asset ceiling	0.24
Total amount recognised in other comprehensive income	0.32
Employer contributions: Benefit payments	(0.76)
Balance as at March 31, 2023	18.30
Balance as at March 31, 2023	18.30
Current service cost	3.41
Interest expense/(income)	1.35
Expected return on plan assets	(0.23)
Total amount recognised in profit or loss	4.53
Remeasurements	
effect of change in financial assumptions	0.20
effect of change in demographic assumptions	-
effect of experience adjustments	(0.43)
changes in asset ceiling	(0.24)
Total amount recognised in other comprehensive income	(0.47)
Employer contributions: Benefit payments	(2.41)
Balance as at March 31, 2024	19.94

(ii) Movement of Plan Assets

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	3.12	3.63
Contribution by the employer	-	-
Expected return on plan assets	0.23	0.27
Actuarial gains / (loss)	0.24	(0.24)
Benefits paid	(1.86)	(0.54)
Closing balance	1.73	3.12

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(iii) Net asset / (liability) recognised in the Balance Sheet

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of defined benefit obligation	19.94	18.30
Less : fair value of plan assets	1.73	3.12
Funded status- surplus/ (deficit)	(18.21)	(15.18)
Net liability recognised in the Balance Sheet	(18.21)	(15.18)

(iv) Category of assets

Funds managed by Insurer	100.00%	100.00%
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(v) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.09%	7.36%
Salary growth rate	8.00%	8.00%
Expected return on assets	7.53%	7.53%
Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
Attrition rate		
18 to 30 years	4.6%	2.6%
30 to 50 years	14.3%	7.2%
Above 50 years	1.4%	0.8%

Notes :

- (1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.
- (2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

- (vi) The Group expects to make a contribution of ₹ 16.20 crore (March 31, 2023: ₹ 13.83 crore) to the defined benefit plans during the next financial year.

(vii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is : (₹ in crore)

	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (increase by 1%)	(2.52)	(2.20)
Salary growth rate (increase by 1%)	2.98	2.62
	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (decrease by 1%)	3.03	2.66
Salary growth rate (decrease by 1%)	(2.52)	(2.21)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

(viii) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

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

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

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

Investment risk : The weighted average duration of the defined benefit obligation is 16.64 to 19.68 years. (March 31, 2023 : 16.90 to 19.57 years). The expected maturity analysis of undiscounted gratuity is as follows:

(ix) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 16.64 to 19.68 years. (March 31, 2023 : 16.90 to 19.57 years)
The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than a year	0.60	0.96
Between 1 - 2 years	0.58	0.67
Between 2 - 3 years	0.80	1.15
Between 3 - 4 years	1.41	0.89
Between 4 - 5 years	1.85	1.60
Beyond 5 years	13.82	12.83
Total	19.05	18.10

38. Share Based Payments

(a) Employee Share Option Plan :

- (i) The ESOS scheme titled "Employee Stock Option Scheme 2015" (ESOS 2015) was approved by the shareholders through postal ballot on July 27, 2015 and December 22, 2015. 7,50,000 options are covered under the Scheme for 750,000 Equity shares (before giving effect of share split and bonus issue).
- (ii) During the financial year 2015-16, the Nomination and Remuneration Committee in its meeting held on July 28, 2015 has granted 724,000 options respectively under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price determined at ₹452.60 per share."
- (iii) During the financial year 2016-17, the Nomination and Remuneration Committee in its meeting held on January 28, 2017 has granted 46,000 options under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price was determined at ₹1,028.80 per share.

- (iv) During the financial year 2017-18, the the Nomination and Remuneration Committee in its meeting held on September 9, 2017 and February 5, 2018 has granted 96,000 and 70,000 options respectively, under the ESOS to eligible employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 4 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price determined at ₹1,633.05 and ₹2,124.10 respectively per share.
- (v) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 has granted 95,000 options under the ESOS to eligible employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within 5 years. The exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price determined at ₹1,438.55 per share.
- (vi) During the financial year 2019-20, the Nomination and Remuneration Committee in its meeting held on November 9, 2019 also recommended reduction in exercise price of options granted on September 9, 2017 and February 5, 2018 to reflect the fall in Company's share prices. The same was approved by shareholders of the Company on January 27, 2020 through postal ballot. The revised exercise price of each option was the market price of the shares on the stock exchange with the highest trading volume, one day before the date of reduction in exercise price. The revised exercise price determined at ₹1,438.55 per share.

(b) The following share based payment arrangements were in existence during the current and prior years :

Number of options granted (before giving effect of share split and bonus issue)	Grant Date	Expiry Date	Exercise Price (see note below) (Amount in ₹)	Fair Value at grant date (Amount in ₹)
7,24,000	July 28, 2015	January 26, 2020	452.60	168.88
46,000	January 28, 2017	July 29, 2021	1,028.80	354.56
96,000	September 9, 2017	October 3, 2022	1,438.55	602.36
70,000	February 5, 2018	August 6, 2022	1,438.55	751.34
95,000	November 9, 2019	May 9, 2024	1,438.55	466.08

Note:

The earlier exercise price of the Options granted on September 9, 2017 and February 5, 2018 were ₹1,633.05 and ₹ 2,124.10 respectively. The exercise price of these options was reduced in earlier year (see note (a)(vi) above)..

(c) Fair value of option granted/ modified

- (i) No options were granted during the year ended March 31, 2024 and March 31, 2023.
- (ii) During the previous year ended March 31, 2020, the incremental fair value of the options granted on September 9, 2017 and February 5, 2018 due to modification were determined at ₹131.46 and ₹372.36 respectively which has been recognised as expense over the period from the modification date to the end of vesting period. The expense of original option grant continued to be recognised as if the terms had not been modified.

The incremental fair value of the options was determined using the Black Scholes Model with the following model inputs :

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	Original Grant on September 9, 2017	Original Grant on February 5, 2018
Modification date share price (before giving effect of share split)	1,438.55	1,438.55
Revised exercise Price (before giving effect of share split)	1,438.55	1,438.55
Expected volatility	33.49%-34.96%	33.28%-33.96%
Option remaining life	1.31-2.12	1.51-2.53
Dividend yield	0.80%	0.80%
Risk-free interest Rate	5.45%-5.70%	5.70%-6.23%

(d) Movement in share option during the year (see note (f) below)

The following reconciles the share options outstanding at the beginning and end of the year :

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
	(Amount in ₹)		(Amount in ₹)	
Balance at the beginning of the year	193,750 [#]	143.86	387,500 [#]	143.86
Granted during the year	-	-	-	-
Vested during the year	1,93,750	143.86	1,90,314	143.86
Lapsed during the year	-	-	3,436	-
Forfeited during the year	-	-	-	-
Exercised during the year	1,93,750	143.86	1,90,314	143.86
Expired during the year	-	-	-	-
Options outstanding at the end of the year	-	-	193,750 [#]	143.86
Options available for grant	1,12,616 [*]	-	1,12,616	-

[#]As at March 31, 2024 & March 31, 2023, there are Nil options which were vested but not exercised.

^{*}Options not granted as per decision of board of directors.

(e) Share option exercised (see note (f) below) :

Share option exercised during the Period ended March 31, 2024	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date
			₹
Granted on November 9, 2019	1,81,250	November 28, 2023	1,662.10
Granted on November 9, 2019	12,500	December 22, 2023	1,587.65
Share option exercised during the Period ended March 31, 2023	Number exercised/ allotted	Exercise/Allotment date	Share Price at exercise/ allotment date
			₹
Granted on November 9, 2019	1,90,314	December 3, 2022	1,185.50

(f) Disclosures for March 31, 2024 and March 31, 2023 have been made after giving effect to the bonus issue and share split. See note 15(a)(vii) also.

(g) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions, i.e., employee share option plan during the year recognised in profit or loss as part of employee benefit expense is ₹ 0.13 crore (March 31, 2023 ₹ 0.26 crore).

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

39. Related party transaction :

(a) Details of related parties :	Name of related parties
(i) Key Management Personnel (KMP) (with whom transactions have taken place during the year)	Mr. Sanjay Gupta (Chairman and Managing Director) Mr. Vinay Gupta (Brother of Mr. Sanjay Gupta and Managing Director of Apollo Metalex Private Limited & Director of APL Apollo Building Products Private Limited) Mr. Romi Sehgal (Director till March 31, 2023) Mr. Deepak Goyal (Group Chief Financial Officer & Director Operations, w.e.f. April 1, 2023) Mr. Chetan Khandelwal (Chief Financial Officer w.e.f. November 1, 2023) Mr. Deepak C S (Company Secretary) Mr. Rahul Gupta (Son of Mr. Sanjay Gupta, Director of APL Apollo Tubes Limited and Managing Director of APL Apollo Building Products Private Limited)
(ii) Relative of KMP (with whom transactions have taken place during the year)	Mrs. Neera Gupta (Wife of Mr. Sanjay Gupta) Mrs. Vandana Gupta (Wife of Mr. Vinay Gupta) Mr. Rohan Gupta (Son of Mr. Sanjay Gupta)
(iii) Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	APL Infrastructure Private Limited Apollo Pipes Limited SG Ornate Solar Solutions Private Limited APL Apollo Foundation (Foundation incorporated on April 19, 2022)

(b) Transactions during the year

(₹ in crore)

Particulars		Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Sale of goods (net of discounts)					
Apollo Pipes Limited	C.Y.	-	-	0.89	0.89
	P.Y.	-	-	1.10	1.10
	C.Y.	-	-	0.89	0.89
	P.Y.	-	-	1.10	1.10
Sale of scrap (other operating revenue)					
Apollo Pipes Limited	C.Y.	-	-	0.02	0.02
	P.Y.	-	-	0.04	0.04
	C.Y.	-	-	0.02	0.02
	P.Y.	-	-	0.04	0.04
Sale of licenses					
Apollo Pipes Limited	C.Y.	-	-	1.09	1.09
	P.Y.	-	-	4.33	4.33
	C.Y.	-	-	1.09	1.09
	P.Y.	-	-	4.33	4.33

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (cont'd)

(₹ in crore)

Particulars		Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Purchase of stores and consumables					
Apollo Pipes Limited	C.Y.	-	-	-	-
	P.Y.	-	-	0.97	0.97
	C.Y.	-	-	-	-
	P.Y.	-	-	0.97	0.97
Purchase of property, plant and equipment					
Apollo Pipes Limited	C.Y.	-	-	-	-
	P.Y.	-	-	0.01	0.01
SG Ornate Solar Solutions Private Limited	C.Y.	-	-	9.33	9.33
	P.Y.	-	-	-	-
	C.Y.	-	-	9.33	9.33
	P.Y.	-	-	0.01	0.01
Purchase of raw material (net of discounts)					
Apollo Pipes Limited	C.Y.	-	-	1.20	1.20
	P.Y.	-	-	1.10	1.10
	C.Y.	-	-	1.20	1.20
	P.Y.	-	-	1.10	1.10
Rent paid					
APL Infrastructure Private Limited	C.Y.	-	-	0.03	0.03
	P.Y.	-	-	0.06	0.06
Apollo Pipes Limited	C.Y.	-	-	0.13	0.13
	P.Y.	-	-	0.42	0.42
Mrs. Neera Gupta	C.Y.	-	0.01	-	0.01
	P.Y.	-	0.02	-	0.02
Mrs. Vandana Gupta	C.Y.	-	0.01	-	0.01
	P.Y.	-	0.02	-	0.02
	C.Y.	-	0.02	0.16	0.18
	P.Y.	-	0.04	0.48	0.52
Payment of dividend during the year					
Mr. Sanjay Gupta	C.Y.	0.01	-	-	0.01
	P.Y.	0.12	-	-	0.12

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (cont'd)

(₹ in crore)

Particulars		Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Mr. Rohan Gupta	C.Y.	-	0.39	-	0.39
	P.Y.	-	0.39	-	0.39
Mr. Rahul Gupta	C.Y.	0.53	-	-	0.53
	P.Y.	0.53	-	-	0.53
Mrs. Veera Gupta	C.Y.	-	2.71	-	2.71
	P.Y.	-	1.90	-	1.90
Mr. Deepak Goyal	C.Y.	0.04	-	-	0.04
	P.Y.	0.04	-	-	0.04
Mr. Romi Sehgal	C.Y.	-	-	-	-
	P.Y.	0.05	-	-	0.05
APL Infrastructure Private Limited	C.Y.	-	-	38.43	38.43
	P.Y.	-	-	27.30	27.30
	C.Y.	0.58	3.10	38.43	42.11
	P.Y.	0.75	2.29	27.30	30.34
Salary					
Mr. Sanjay Gupta	C.Y.	7.20	-	-	7.20
	P.Y.	3.70	-	-	3.70
Mr. Vinay Gupta	C.Y.	5.14	-	-	5.14
	P.Y.	3.00	-	-	3.00
Mr. Romi Sehgal	C.Y.	-	-	-	-
	P.Y.	0.76	-	-	0.76
Mr. Deepak Goyal	C.Y.	1.13	-	-	1.13
	P.Y.	1.05	-	-	1.05
Mr. Deepak C S	C.Y.	0.35	-	-	0.35
	P.Y.	0.29	-	-	0.29
Mr. Rohan Gupta	C.Y.	-	0.18	-	0.18
	P.Y.	-	-	-	-
Mr. Chetan Khandwelwal	C.Y.	0.43	-	-	0.43
	P.Y.	-	-	-	-
Mr. Rahul Gupta	C.Y.	2.89	-	-	2.89
	P.Y.	0.55	-	-	0.55
	C.Y.	17.15	0.18	-	17.33
	P.Y.	9.35	-	-	9.35

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(b) Transactions during the year (cont'd)

(₹ in crore)

Particulars		Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
Director sitting fees paid during the year					
Mr. Vinay Gupta	C.Y.	-	-	-	-
	P.Y.	0.05	-	-	0.05
Mr. Rahul Gupta	C.Y.	-	-	-	-
	P.Y.	0.02	-	-	0.02
	C.Y.	-	-	-	-
	P.Y.	0.07	-	-	0.07
Payment for corporate social responsibility expense					
APL Apollo Foundation	C.Y.	-	-	9.07	9.07
	P.Y.	-	-	0.10	0.10
	C.Y.	-	-	9.07	9.07
	P.Y.	-	-	0.10	0.10
Investment in equity share capital					
APL Apollo Foundation	C.Y.	-	-	-	-
	P.Y.	-	-	0.10	0.10
	C.Y.	-	-	-	-
	P.Y.	-	-	0.10	0.10
Loans given during the year					
Deepak CS	C.Y.	0.05	-	-	0.05
	P.Y.	-	-	-	-
	C.Y.	0.05	-	-	0.05
	P.Y.	-	-	-	-
Loans received back during the year					
Deepak CS	C.Y.	0.02	-	-	0.02
	P.Y.	-	-	-	-
	C.Y.	0.02	-	-	0.02

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars		Key Management Personnel (KMP)	Relatives of KMP	Enterprises significantly influenced by KMP and their relatives	Total
(c) Balances outstanding at the end of the year					
Security deposits given					
Mrs. Neera Gupta	C.Y.	-	-	-	-
	P.Y.	-	3.00	-	3.00
APL Infrastructure Private Limited	C.Y.	-	-	-	-
	P.Y.	-	-	5.00	5.00
	C.Y.	-	-	-	-
	P.Y.	-	6.00	5.00	11.00
Trade receivables					
Apollo Pipes Limited	C.Y.	-	-	-	-
	P.Y.	-	-	0.04	0.04
	C.Y.	-	-	-	-
	P.Y.	-	-	0.04	0.04
Loan receivable					
Deepak CS	C.Y.	-	0.03	-	0.03
	P.Y.	-	-	-	-
	C.Y.	-	0.03	-	0.03
	P.Y.	-	-	-	-
Claims receivables					
APL Apollo Foundation	C.Y.	-	-	-	-
	P.Y.	-	-	0.18	0.18
	C.Y.	-	-	-	-
	P.Y.	-	-	0.18	0.18
Trade payables					
SG Ornate Solar Solutions Pvt Ltd	C.Y.	-	-	1.00	1.00
	P.Y.	-	-	-	-
Mr. Sanjay Gupta	C.Y.	2.71	-	-	2.71
	P.Y.	0.18	-	-	0.18
Mr. Chetan Khandelwal	C.Y.	0.03	-	-	0.03
	P.Y.	-	-	-	-
Mr. Amresh Kumar Mishra	C.Y.	0.02	-	-	0.02
	P.Y.	-	-	-	-
Mr. Deepak C S	C.Y.	0.02	-	-	0.02
	P.Y.	-	-	-	-
Mr. Rohan Gupta	C.Y.	-	0.05	-	0.05
	P.Y.	-	0.01	-	0.01
Mr. Rahul Gupta	C.Y.	0.42	-	-	0.42
	P.Y.	-	-	-	-
		3.20	0.05	1.00	4.25
		0.18	0.01	-	0.19

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Notes :

- (1) C.Y. represents amount as at and for the year ended March 31, 2024 and P.Y. represents amount as at and for the year ended March 31, 2023.
- (2) Amount of expense of gratuity and compensated absences is taken on actuarial basis.
- (3) The term loan and other credit facilities of the Group are also secured by personal guarantee of directors of the Company, Mr. Sanjay Gupta and Mr. Vinay Gupta.

40. Income tax expense

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

(₹ in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax as per consolidated statement of profit and loss	977.72	863.31
Income tax expenses calculated as per tax rates of Income tax act	246.07	217.28
(i) Items not deductible	0.31	4.17
(ii) Income tax related to previous years	(1.11)	-
Tax expense as reported	245.28	221.45

41. Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023.

(₹ in crore)

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets - Non Current						
Investments						
- in equity instruments	-	99.54	3.15	1.06	91.83	3.15
Security deposit	-	-	29.58	-	-	32.11
Loans to employees	-	-	0.29	-	-	0.28
In margin money with maturity more than 12 months	-	-	2.40	-	-	1.83
Claim receivable (net of provision)	-	-	0.33	-	-	0.27
Financial assets - Current						
Loans to employees	-	-	3.63	-	-	1.34
Claim receivable	-	-	9.15	-	-	0.08
Security deposit	-	-	0.01	-	-	-
Investment	-	-	-	-	-	-
Trade receivables	-	-	139.08	-	-	137.44
Cash and cash equivalents	-	-	345.16	-	-	122.69
Bank balances other than cash and cash equivalents	-	-	2.44	-	-	229.78
In fixed deposits with bank original maturity more than 12 months (See note below)	-	-	793.01	-	-	277.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
GST refund receivable	-	-	48.93	-	-	-
Export incentives	-	-	0.86	-	-	1.04
Other government incentives receivables	-	-	4.23	-	-	-
Derivative assets	-	-	-	0.99	-	-
Interest accrued but not due	-	-	24.90	-	-	18.65
Total financial assets	-	99.54	1,407.15	2.05	91.83	825.66
Financial liabilities - Non current						
Borrowings	-	-	786.51	-	-	408.13
Deferred payment	-	-	0.35	-	-	0.50
Lease liabilities	-	-	19.10	-	-	-
Financial liabilities - current						
Borrowings	-	-	338.04	-	-	464.79
Security Deposits	-	-	0.69	-	-	0.92
Unclaimed dividends	-	-	0.44	-	-	0.56
Interest accrued but not due on borrowings	-	-	18.98	-	-	3.76
Lease liabilities	-	-	0.60	-	-	0.09
Deferred payment	-	-	0.21	-	-	0.21
Trade payables	-	-	2,021.76	-	-	1,627.54
Total financial liabilities	-	-	3,186.68	-	-	2,506.50

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Level 1	Level 2	Level 1	Level 2
- Assets for foreign currency forward contracts	-	-	-	0.99
- Investment in mutual funds	-	-	1.06	-
- Investment in equity instruments	99.54	-	91.83	-
Total financial assets	99.54	-	92.89	0.99

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

(b) Fair value hierarchy

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

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

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

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

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

(d) Valuation inputs and relationships to fair value- assets classified as held for sale (Level 3)

Particulars	Fair Value as at	
	March 31, 2024	March 31, 2023
Assets classified as held for sale (see note 2(f))	-	24.00

- (i) The fair value was derived using the market comparable approach based on recent market prices carried out by an independent valuer without any significant adjustments being made to the market observable data.
- (ii) There were no significant inter-relationships between unobservable inputs that materially affect fair values.

42. Financial risk management objectives

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

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

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

(a) Market risk

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

(i) Foreign currency risk

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

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Details of derivative instruments and unhedged foreign currency exposure :-

(1) The position of foreign currency exposure to the Group as at the end of the year are as follows :-

(a) Option outstanding	Buy/Sell	As at	As at
		March 31, 2024	March 31, 2023
In USD	Buy	-	19,72,715
Equivalent amount in ₹ in crore		-	16.22
In USD	Sell	-	19,72,715
Equivalent amount in ₹ in crore		-	16.22
(b) Forward contract outstanding	Buy/Sell	As at	As at
		March 31, 2024	March 31, 2023
In USD	Sell	50,00,000	30,00,000
Equivalent amount in ₹ in crore	Sell	41.23	24.67
In USD	Buy	-	1,08,50,000
Equivalent amount in ₹ in crore	Buy	-	89.23
In EURO	Sell	-	10,00,000
Equivalent amount in ₹ in crore	Sell	-	8.95
In EURO	Buy	86,24,999	-
Equivalent amount in ₹ in crore	Buy	77.66	-

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

Currency	As at	As at
	March 31, 2024	March 31, 2023
Receivables:		
USD	69,82,609	67,91,644
Equivalent amount in ₹ in crore	58.21	55.85
EURO	12,13,617	4,98,810
Equivalent amount in ₹ in crore	10.93	4.47
GBP	33,458	-
Equivalent amount in ₹ in crore	0.35	-
Payables:		
USD	1,91,79,626	5,995
Equivalent amount in ₹ in crore	159.90	0.05
EURO	-	-
Equivalent amount in ₹ in crore	-	-
Advance paid to vendors:		
USD	1,22,78,423	93,67,091
Equivalent amount in ₹ in crore	102.37	77.03
EURO	42,24,223	13,41,481
Equivalent amount in ₹ in crore	38.03	12.01
Advance Received from Customers:		
USD	7,29,509	2,66,535
Equivalent amount in ₹ in crore	6.08	2.19
EURO	15,876	30,350
Equivalent amount in ₹ in crore	0.14	0.27
GBP	-	9,003
Equivalent amount in ₹ in crore	-	0.09

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Sensitivity

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

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
EURO sensitivity		
INR/EURO Increases by 2.5% (March 31, 2023 - 2.5%)	(0.20)	(0.08)
INR/EURO Decreases by 2.5% (March 31, 2023 - 2.5%)	0.20	0.08
USD sensitivity		
INR/USD Increases by 2.5% (March 31, 2023 - 2.5%)	1.90	(1.04)
INR/USD Decreases by 2.5% (March 31, 2023 - 2.5%)	(1.90)	1.04

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group hedges its US dollar interest rate risk through interest rate swaps to reduce the floating interest rate risk. The Group has exposure to interest rate risk, arising principally on changes in base lending rate. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	1,124.55	856.67
Fixed rate borrowings	-	16.25
Total borrowings	1,124.55	872.92

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

Particulars	Balance	% of total loans
As at March 31, 2024		
Bank overdrafts, bank loans, Cash Credit	1,124.55	100%
As at March 31, 2023		
Bank overdrafts, bank loans, Cash Credit	856.67	98%

Sensitivity

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in crore)

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest rates – increase by 50 basis points (50 bps)	(4.21)	(3.21)
Interest rates – decrease by 50 basis points (50 bps)	4.21	3.21

(b) Credit risk (See note 9)

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

1. Export customers
2. Institutional customers
3. Dealers

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

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

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

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

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

(c) Liquidity risk

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

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

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	2,048.85	1,602.79
Nature of facility	Working Capital	Working Capital

- (ii) Maturities of financial liabilities

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Contractual maturities of financial liabilities :-

	(₹ in crore)			
Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2024				
Borrowings (interest bearing)	338.04	756.19	30.31	1,124.55
Interest accrued but not due on borrowings	18.98	-	-	18.98
Trade payables	2,021.76	-	-	2,021.76
Security Deposits	0.69	-	-	0.69
Lease liabilities (interest bearing)	0.60	19.10	-	19.69
Deferred payment (interest bearing)	-	0.56	-	0.56
Unclaimed dividends	0.44	-	-	0.44
Total non-derivative liabilities	2,380.51	775.85	30.31	3,186.68
As at March 31, 2023				
Borrowings (interest bearing)	464.79	390.59	17.54	872.92
Interest accrued but not due on borrowings	3.76	-	-	3.76
Trade payables	1,627.54	-	-	1,627.54
Security Deposits	0.92	-	-	0.92
Lease liabilities (interest bearing)	0.09	-	-	0.09
Deferred payment (interest bearing)	-	0.71	-	0.71
Unclaimed dividends	0.56	-	-	0.56
Total non-derivative liabilities	2,097.66	391.30	17.54	2,506.50

43. Reconciliation of liabilities arising from financing activities

(₹ in crore)

The Group is in business of Manufacturing of ERW steel tube and pipes and hence only one reportable operating segment as per 'Ind-AS 108 : Operating Segments'.

44. Capital management

(a) Risk management

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

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non current borrowings	786.51	408.13
Current borrowings	338.04	464.79
Less: Cash and cash equivalents	(345.16)	(122.69)
Less: Bank balances other than cash and cash equivalents	(2.44)	(229.78)
Less: Balance in fixed deposits lien marked	(2.40)	(1.83)
Less: Balance in fixed deposits classified in other financial assets	(793.01)	(277.00)
Net debt	(18.46)	241.62
Total equity	3,604.62	3,005.61
Gearing Ratio	(0.01)	0.08

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

(b) Reconciliation of liabilities arising from financing activities

(₹ in crore)

Particulars	As at March 31, 2023	Net Cash flows	Non-cash changes-	As at March 31, 2024
Non-current borrowings	569.22	385.31	27.87	982.40
Current borrowings	303.70	(126.75)	(34.80)	142.15
Total liabilities from financing activities	872.92	258.56	(6.93)	1,124.55

(₹ in crore)

Particulars	Opening balance as at April 1, 2022	Net Cash flows	Non-cash changes	As at March 31, 2023
Non-current borrowings	414.51	154.63	0.08	569.22
Current borrowings	166.06	135.55	2.09	303.70
Total liabilities from financing activities	580.57	290.18	2.17	872.92

45. Merger of Apollo Tricoat Tubes Limited and Shri Lakshmi Metal Udyog Limited with APL Apollo Tubes Limited

The Board of Directors of APL Apollo Tubes Limited ("the Holding Company"), at its meeting held on February 27, 2021, had considered and approved a draft scheme of amalgamation ('scheme') under Sections 230 to 232 of the Companies Act, 2013, of Shri Lakshmi Metal Udyog Limited ('SLMUL' – wholly owned subsidiary company) and Apollo Tricoat Tubes Limited ('Tricoat' – subsidiary company of wholly owned subsidiary) with the Holding Company. The New Delhi bench of the National Company Law Tribunal (NCLT), through its order dated October 14, 2022 has approved the scheme. The certified copy of the NCLT order was filed with Registrar of Companies on October 31, 2022. Consequently, the scheme became operative from October 31, 2022 ('Effective Date') with appointed date from April 1, 2022 as per the approved scheme.

- In terms of the Scheme, the whole of undertaking of Tricoat and SLMUL as a going concern stood transferred to and vested in the Holding Company with effect from the appointed date.
- Tricoat and SLMUL were engaged in the business of manufacturing of ERW steel tubes.
- The said amalgamation was accounted under the "Pooling of interest" method as prescribed under Ind AS 103 'Business Combination' for amalgamation of companies under common control.

Under "Pooling of interest" method, the assets and liabilities of the combining entities are reflected at their carrying amount as

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

appearing in the respective financial statements of the subsidiary companies in accordance with Ind AS Technical Facilitation Group (ITGG) clarification bulliten. No adjustments are made to reflect fair values or recognise any new assets or liabilities. Further the financial information in the financial statements of the Holding Company in respect of prior period were restated as if the business combination had occurred from the beginning of the preceding period in the financial statements of the Holding Company.

- the entire business and undertaking of Tricoat and SLMUL including all assets, liabilities and reserves as a going concern were transferred to and vested in the Holding Company pursuant to the Scheme at their respective book value under the respective accounting heads of the Holding Company from the appointed date.

- In case of SLMUL, as it was a wholly owned subsidiary of the Holding Company and accordingly, no consideration was payable pursuant to the scheme of amalgamation. The equity shares held by the Holding Company in the wholly owned subsidiary were cancelled and no shares were issued to effect the amalgamation.

- In case of Tricoat, the Holding Company held 55.82% equity shares and accordingly, consideration was payable pursuant to the scheme of amalgamation. The equity shares held by the Holding Company in Tricoat were cancelled and 26,860,000 shares at face value of ₹2.00 each amounting to ₹5.37 crore were issued to the minority shareholders of Tricoat to effect the amalgamation. Further, pursuant to merger, non-controlling interest aggregating to ₹138.30 crore as on April 1, 2022 as appearing in Consolidated Financial Statements as on April 1, 2022 was transferred to Retained earnings of the Holding Company.

46. Additional Regulatory Information

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

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount remaining unpaid to supplier as at the end of the year	13.12	15.23
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-	-
Total	13.12	15.23

(b) Corporate social responsibility

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent as per section 135 of Companies Act, 2013	13.67	11.09
(ii) Amount of expenditure in the books of accounts	13.67	11.09
(iii) Actual expenditure	0.83	0.28

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(iv) Provision made for liability	12.85	10.81
(v) Shortfall at the end of the year	-	-
(vi) Total of previous years shortfall	-	-
(vii) Reason for shortfall	See note below	See note below
(viii) Amount of expenditure incurred on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other (i) above	0.83	0.28
(ix) Nature of CSR activities	Education and skill enhancement, healthcare, rural development	Education and skill enhancement, healthcare, rural development
(x) Details of related party transactions (See note 39(b))	9.07	0.10

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the rules"), the Group has subsequent to balance sheet date deposited Rupees 12.85 crore (March 31, 2023 : Rupees 10.81 crore) to a separate bank account. During the current year, amount of Rupees 9.07 crores was transferred to APL Apollo Foundation for discharge of CSR liabilities.

Notes :

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

(c) Financial Ratios as per the Schedule III requirements

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Current Ratio	1.34	1.17
Current Ratio = Current Assets / Current Liabilities		
% change from previous year	(8.22)%	
(ii) Debt-Equity Ratio	(0.00)	0.08
Debt-Equity Ratio = Net Debt(1) / Shareholder's Equity		
% change from previous year	(10.17)%	
(iii) Debt Service Coverage Ratio	32.36	6.49
Debt Service Coverage Ratio = Earnings available for debt service(2) / Debt service(3)		
% change from previous year	398.49%	
Reason for change more than 25%	See note (a) below	
(iv) Return on Equity Ratio	22.16%	23.47%
Return on Equity Ratio = Net Profit after tax / Average Shareholder's Equity		
% change from previous year	(24.95)%	
(v) Inventory turnover ratio	11.62	13.89
Inventory turnover ratio = Sales / Average inventory		
% change from previous year	(14.53)%	
(vi) Trade receivables turnover ratio	131.05	67.48
Trade receivables turnover ratio = Sales / Average trade receivables		
% change from previous year	94.20%	
Reason for change more than 25%	See note (b) below	
(vii) Trade payables turnover ratio	8.87	11.09
Trade payables turnover ratio = Net purchases / Average trade payables		

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
% change from previous year	(10.23)%	
(viii) Net capital turnover ratio	21.42	42.82
Net capital turnover ratio= Sales / Working capital		
% change from previous year	(49.98)%	
Reason for change more than 25%	See note (c) below	
(ix) Net Profit Ratio	4.04	3.97
Net Profit Ratio= Profit after tax / Sales		
% change from previous year	(16.20)%	
(x) Return on capital employed	29.40	27.65
Return on capital employed = Earning before interest and taxes(4) / Capital employed(5)		
% change from previous year	(18.46)%	
(xi) Return on investment	5.62%	4.86%
Return on investment= Income generated from invested funds / average invested funds in treasury investments		
% change from previous year	15.55%	

Explanation of formulas used in calculating ratios :

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

Note :

- (a) Due to increase in earnings available for debt service.
 - (b) Due to increase in net sales during the year.
 - (c) Due to increase in working capital.
- (d) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(e) Disclosures under Rule 11(e)(i) of the Company (Audit & Auditors) Rule, 2014 :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Name of investee	APL Apollo Tubes Limited	APL Apollo Tubes Limited
Date	Nov 2, 2023	May 6, 2022
Amount	5.28 crore	26.25 crore
Nature of fund	Investment	Investment
Name of intermediary Company	APL Apollo Mart Limited	APL Apollo Mart Limited
Relationship	Wholly-owned subsidiary	Wholly-owned subsidiary

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Name of intermediary Company	APL Apollo Mart Limited	APL Apollo Mart Limited
Date	Nov 2, 2023	May 6, 2022
Amount	5.28 crore	26.25 crore
Nature of fund	Investment	Investment
Ultimate beneficiary	Shankara Building Products Limited	Shankara Building Products Limited
Relationship	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(f) Disclosures under Rule 11(e)(ii) of the Company (Audit & Auditors) Rule, 2014 :

No funds have been received by the Group in current and previous year (other than as disclosed under 47(e) above) from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(g) Details of benami property held

No proceeding has been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

(h) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or any lender.

(i) Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(j) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(k) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(l) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(m) Maintenance of Audit Trail log

The Company has used an accounting software(s) i.e. SAP for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s) and the management did not come across any instance of the audit trail feature being tampered with.

(n) Disclosures under Rule 11(f) of the Company (Audit & Auditors) Rule, 2014 - Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders. The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Final dividend per share	₹ 5.50	₹ 5.00

During the Year ended March 31, 2024, on account of the final dividend for year ended March 31, 2023, the Company has incurred a net cash outflow of ₹138.66 crore. The Board of Directors in their meeting held on May 11, 2024 recommended a final dividend of ₹ 5.50 per equity share for the Year ended March 31, 2024. This payment of dividend is subject to the approval of shareholders in the upcoming Annual General Meeting of the Company and if approved, would result in a net cash outflow of approximately ₹152.63 crore.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

47 Disclosure of additional information as required by Schedule III to the Companies Act, 2013 :

(a) As at March 31, 2024 and for the year ended March 31, 2024

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit or loss	₹ in Crore	As % of consolidated other comprehensive income	₹ in Crore	As % of total comprehensive income	₹ in Crore
A. Holding Company								
APL Apollo Tubes Limited	58.45%	2,889.39	61.45%	453.71	20.20%	0.48	61.32%	454.19
B. Wholly owned subsidiaries								
a) Indian								
(1) Apollo Metalex Private Limited	17.04%	842.27	33.25%	245.45	0.80%	0.02	33.15%	245.47
(2) Blue Ocean Private Limited	2.54%	125.72	(0.02)%	0.43	0.00%	-	(0.02)%	0.43
(3) APL Apollo Building Products Private Limited	16.78%	829.49	3.55%	26.21	(0.77)%	(0.14)	3.52%	26.07
(4) APL Apollo Mart Limited	1.97%	97.45	(0.05)%	0.54	84.52%	2.00	(2.48)%	2.54
b) Foreign								
(1) APL Apollo Tubes FZE	0.00%	-	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
(2) A P L Apollo Tubes Company LLC	3.22%	159.25	(0.06)%	11.87	0.00%	-	(0.06)%	11.87
Total	100.00%	4,943.57	100.00%	738.19	100.00%	2.36	100.00%	740.55
Adjustment due to consolidation		(1,338.94)		(5.76)		(0.02)		(5.77)
Consolidated Net Assets/Profit		3,604.62		732.44		2.34		734.78

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(b) As at March 31, 2023 and for the year ended March 31, 2023

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit or loss	₹ in Crore	As % of consolidated other comprehensive income	₹ in Crore	As % of total comprehensive income	₹ in Crore
A. Holding Company								
APL Apollo Tubes Limited	65.02%	2,570.95	78.82%	511.92	2.00%	(0.31)	80.72%	511.61
B. Wholly owned subsidiaries								
a) Indian								
(1) Apollo Metalex Private Limited	15.09%	596.80	20.08%	130.39	0.25%	(0.04)	20.57%	130.35
(2) Blue Ocean Private Limited	2.28%	90.06	(0.02)%	(0.13)	0.00%	-	(0.02)%	(0.13)
(3) APL Apollo Building Products Private Limited	15.26%	603.42	1.04%	6.73	(0.77)%	0.12	1.08%	6.85
(4) APL Apollo Mart Limited	2.27%	89.63	(0.05)%	(0.32)	98.52%	(15.41)	(2.48)%	(15.73)
b) Foreign								
(1) APL Apollo Tubes FZE	0.07%	2.83	0.19%	1.20	0.00%	-	0.19%	1.20
(2) A P L Apollo Tubes Company LLC	0.01%	0.27	(0.06)%	(0.39)	0.00%	-	(0.06)%	(0.39)
Total	100.00%	3,953.96	100.00%	649.40	100.00%	(15.64)	100.00%	633.76
Adjustment due to consolidation		(948.35)		(7.54)		(0.01)		(7.55)
Consolidated Net Assets/Profit		3,005.61		641.86		(15.65)		626.21

For and on behalf of the Board of Directors of

APL APOLLO TUBES LIMITED

SANJAY GUPTA
Chairman & Managing Director
DIN : 00233188

DEEPAK KUMAR
Director
DIN :03056481

CHETAN KHANDELWAL
Chief Financial Officer

DEEPAK C S
Company Secretary
ICSI Membership No. : F5060

Place : Noida
Date : May 11, 2024





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