SRIKALAHASTHI PIPES LIMITED

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, A.P.,
Ph.:08578 286650 to 55; Fax: 286657/88 E-mail : companysecretary@srikalahasthipipes.com
Website : www.srikalahasthipipes.com, CIN : L74999AP1991PLC013391

SPL/SECY/SE/2021-22 July 16, 2021

The Manager-Dept. of Corporate Services
Bombay Stock Exchange Limited
Regd. Off: Floor 25, P.J.Towers
Dalal Street
Mumbai – 400 001
Fax: 022 22723121/ 2272 2037

The Manager-Dept. of Corporate Services
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Fax: 022-26598237/38

Dear Sir,

Sub: Submission of Annual Report for the FY 2020-21.

With reference to the above subject, we are herewith submitting Annual Report of the Company for the FY 2020-21 for your information and records.

This may be treated as compliance under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,
For **SRIKALAHASTHI PIPES LIMITED**

G. KODANDAPANI
Company Secretary

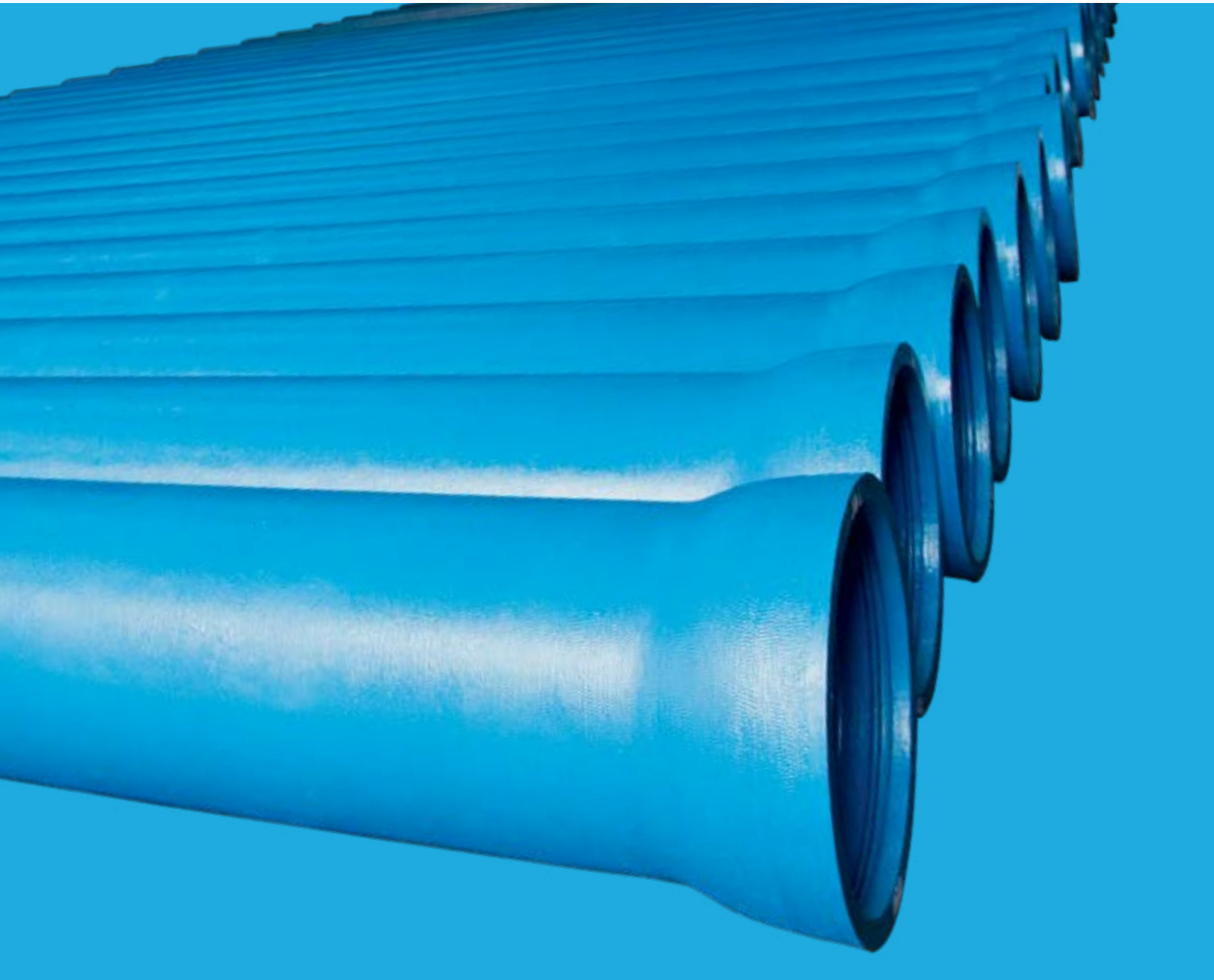
INSPIRING GROWTH

PIONEERING 25 YEARS OF DI PIPES BY ELECTROSTEEL GROUP

Srikalahasthi Pipes Limited

29th ANNUAL REPORT

2020-2021



INSPIRING GROWTH

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CORPORATE INFORMATION

Directors
Mr R.K. Khanna,
Chairman, DIN 05180042

Mr Gouri Shankar Rathi,
Whole-time Director, DIN 00083992

Mr T. Venkatesan, DIN 00124050

Mrs Mohua Banerjee, DIN 08350348

Mrs Priya Manjari Todi, DIN 01863690

Mr Ashutosh Agarwal, DIN 00115092

Mr M. Satyanarayana
(Nominee of APIDC), DIN 08604390

Managing Director
Mr Mayank Kejriwal, DIN 00065980

Chief Executive Officer
Mr S.N. Goswami

Chief Financial Officer
Mr N. Sivalai Senthilnathan

Company Secretary
Mr G. Kodanda Pani

Auditors
M/s. Lodha & Co.,

Cost Auditors
M/s. Narasimha Murthy & Co.,

Solicitors
M/s. Khaitan & Co.

Bankers
ICICI Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.
Axis Bank Limited
Punjab National Bank
Union Bank of India
Yes Bank Limited
Indusind Bank Limited
SBM Bank (India) Ltd

Share Transfer Agents
Cameo Corporate Services Limited
#1, Club House Road,
Chennai 600 002
Ph:044-40020718(Direct)/28460390(Gen)
E-mail : investor@cameoindia.com
Website:www.cameoindia.com

Registered Office & Works
Rachagunneri-517 641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh,
Website : www.srikalahasthipipes.com
E-mail : companysecretary@srikalahasthipipes.com
CIN : L74999AP1991PLC013391

VISION

We aim to be world class, committed to customer satisfaction and to encourage the spirit of leadership amongst our dedicated team by creating a healthy environment for continuous growth, profit and prosperity.

OUR REACH

CORPORATE OVERVIEW

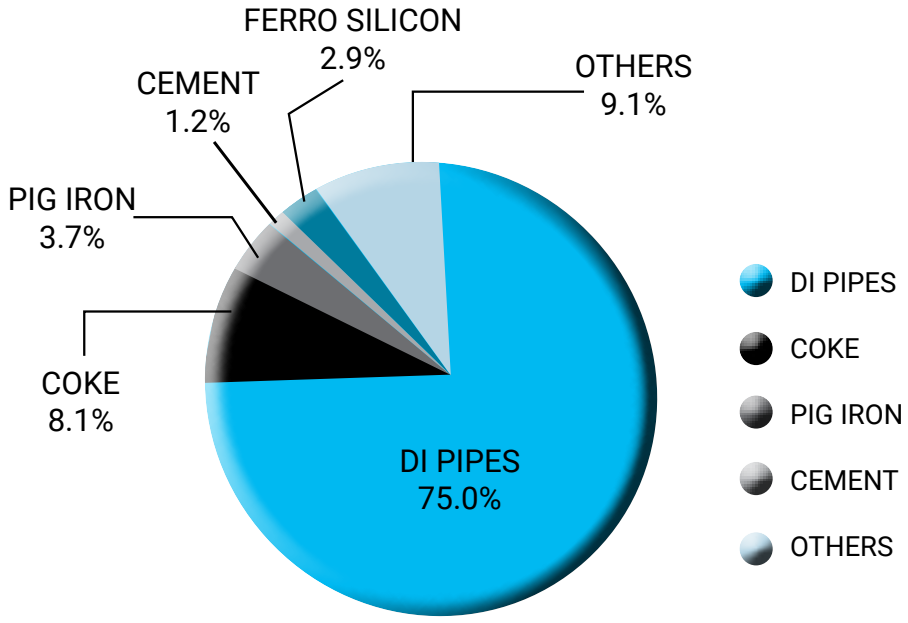
Srikalahasti Pipes Ltd (SPL) is one of the leading players in the DI pipe industry in India and was established in 1991. SPL's plant is located at Rachagunneri, Srikalahasti, Chittoor District, Andhra Pradesh near Tirupati and its key products include DI Pipes, Pig Iron, Coke & and Cement. Srikalhasti Pipes has a backward integrated manufacturing facility which includes a sinter plant, coke oven plant, power plant and a Sewage Treatment facilities in the same complex spread over 330 acres, giving the company a significant competitive advantage.

Srikalahasthi Pipes Limited (SPL) is an Associate Company of Pipes major Electrosteel Castings Limited (ECL), which is a five-decade old water infrastructure company providing techno- economic solutions for water supply and sewerage systems. ECL is India's largest and one of the few manufacturers in the world to make Ductile Iron (DI) Pipes, DI Fittings and CI Pipes, having its facilities in Khardah & Haldia in West Bengal and Elavur in Tamil Nadu.

The company supplies DI pipes to various Water Boards, Municipal Corporations and Turnkey Contractors across the country for their Water Infrastructure Projects which is the thrust area of the Govt of India. Some of our marquee clients are Larsen & Toubro, NCC Limited, Indian Hume Pipes Ltd, Megha Engineering & Infrastructures Ltd and Sriram EPC Ltd.

The impetus given by the Central Government in the Union Budget to various centrally sponsored schemes like National Rural Drinking Water Programme, Swatch Bharath, urban and rural development projects, augur well for the Ductile Iron Pipe industry in terms of boosting demand for DI Pipes in the medium to long term which helps us keep the order book stable.

Revenue Distribution FY 21 (%)



Key Milestones

2021
Commissioning of Annealing Furnace 3 in DIP

2019
Commissioning of Ferro Alloys Plant

2018
Commissioning of IV Coke Oven and Boiler.

2017
Increase of capacity of DIP to 3,00,000 TPA &Installation of Pulverized Coal Injection in MBF.

2014
Change of Name of the Company to Srikalahasthi Pipes.

2012
Commissioning of SinterPlant of 5 LTPA & Capacity increase of COP from 1,50,000 to 2,25,000 TPA.

2011
Commissioning of the first of its kind project to use primarily treated sewerage ater of Tirupati Municipal Corporation for industrial use

2010
Capacity of Mini Blast Furnace increased to 2,25,000 TPA.

2009
Capacity of DI Pipes increased to 1,80,000 TPA.

2007
Capacity of DI Pipes increased to 1,20,000 TPA.

2005
Commissioning of 150,000 TPA Coke Oven Plant

2002
Strategic Alliance with Electrosteel Castings

1997
Setting up of Ductile Iron Pipes Facility of 60,000 TPA

1995
Setting up a 250 TPD Mini Cement Plant

1994
Setting up of Mini Blast Furnace of 90,000 TPA

1991
Incorporation of SPL

DUCTILE IRON PIPES

Ductile Iron (also known as Spheroidal Graphite Iron or Nodular Cast Iron) retains the corrosion resistance of Cast Iron but has more than double the tensile strength. The essential difference between Ductile and Cast Iron lies in the shape of the graphite in the microstructure of the metal.DI Pipes have external metallic zinc/epoxy/bituminous coating and internal cement mortar lining using large centrifugal force to provide excellent anti-corrosive properties.DI Pipes are used for transmission of raw & potable water, transmission of domestic & industrial effluents, fire fighting systems, piling ash-slurry handling Systems. SPL manufactures and markets DI Pipes under the brand name “SRIPIPES” and the product size ranges from 100 mm to 1,100 mm.

Strengths:

Higher Tensile Strength: Is strong enough to withstand the most severe conditions, from high-pressure applications, to heavy earth and traffic loads, to unstable soil conditions.

Corrosion Resistant: It is resistant to corrosion in most soils, and typically requires onlyeffective, economical polyethylene encasement in aggressive environments.

Longer Service Life: Projected service life is 70-90 Years.

Flexible and Leak Tight Joints: It has flexible push on joints which do not leak at high or low pressure.

COKE

Coke is a fuel with few impurities and a high carbon content,usually made from coal. SPL is one of the largest manufacturers of Low Ash Metallurgical coke (LAMCOKE) in the country. Superior technology, high quality Australian coking coal and outstanding blending help the company to produce one of the best quality cokes in the country. The company adapts different types of blending, which enhances the quality of the coke.

PIG IRON

Srikalahasthi Pipes Limited (SPL) manufactures basic and foundry grade Pig Iron from the surplus liquid metal. SPL's Pig Iron is ideal for specialized applications such as engine blocks, crankshafts, steel mills, pump housing, machine tools, etc. The company caters to specific customer requirement of precision products manufacturers. The company is one of the low cost Pig iron manufacturers with almost total backward integration.

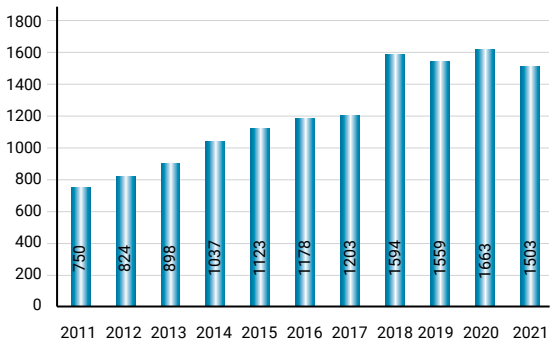
CEMENT

Srikalahasthi sells the cement manufactured under the name "SPL Gold". The company produces Portland slag cement conforming to BIS 455 of 2015. The cement is used extensively in coastal areas where it will safeguard against corrosion due to chlorates and sulphates which are present in the sea breeze

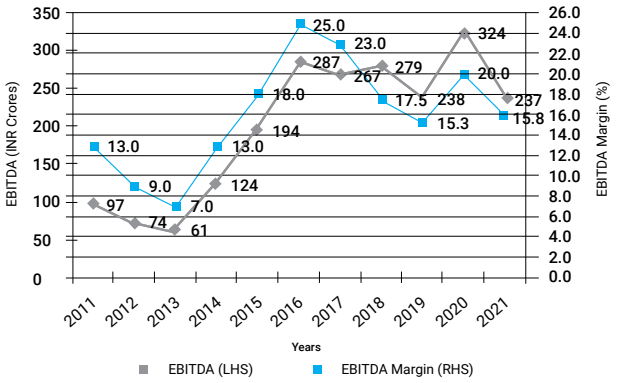
PERFORMANCE HIGHLIGHTS

Particulars	Unit	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue	Rs.Cr	750	824	898	1037	1123	1178	1203	1594	1559	1663	**1503**
EBITDA	Rs.Cr	97	74	61	124	194	287	267	279	238	324	**237**
EBITDA Margin	%	13.39	9.36	7.09	12.56	17.92	24.34	22.23	17.52	15.27	19.48	**15.77**
PBT	Rs.Cr	56	-4	-21	41	119	210	191	201	160	236	**145**
PAT	Rs.Cr	42	-4	-13	39	83	155	140	147	117	188	**104**
EPS	Rs.	10.57	-0.99	-3.29	9.73	20.87	39.01	35.25	35.53	25.17	40.19	**22.20**
Dividend	%	15	0	0	15	30	50	60	60	60	70	**60**
Book Value	Rs./ Share	53.17	52.02	48.73	56.71	139.96	175.36	204.51	252.42	270.33	303.44	**318.42**

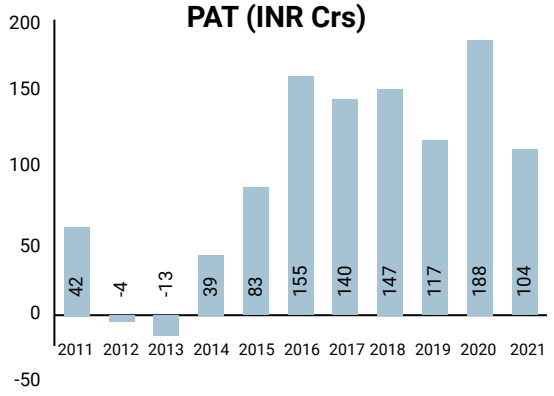
Revenue (INR Crs)



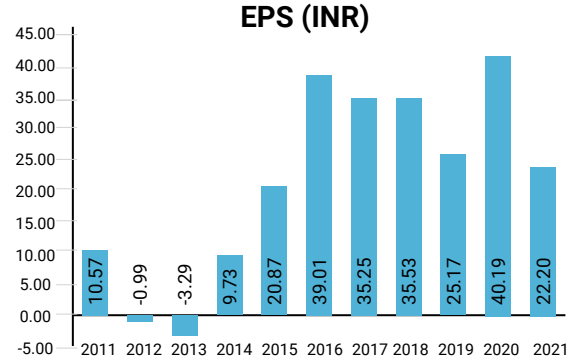
EBITDA (INR Crs) & EBITDA Margin(%)



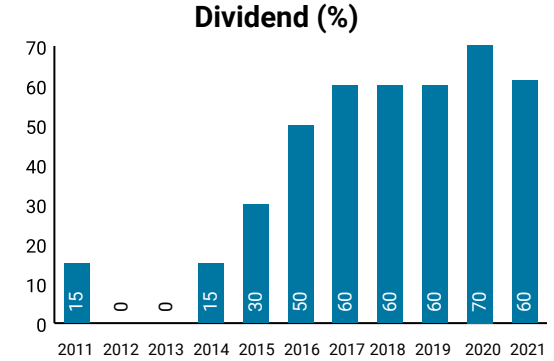
PAT (INR Crs)



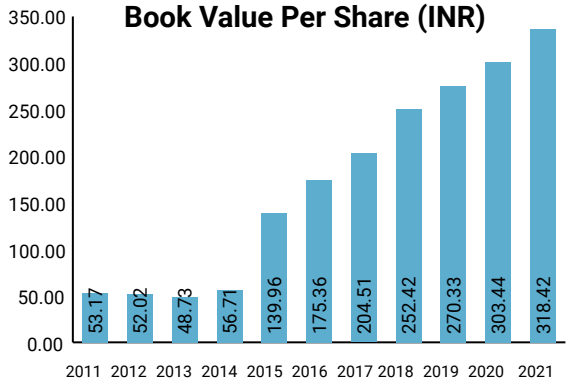
EPS (INR)



Dividend (%)



Book Value Per Share (INR)



Director's Report

Dear Shareholders,

Your Directors take pleasure in presenting the 29th Annual Report on the business and operations of the Company, together with the audited financial statements for the Financial Year ended 31st March, 2021.

STATE OF COMPANY'S AFFAIRS:

FINANCIAL HIGHLIGHTS	Rs. in Lakhs	
Particulars	2020-21	2019-20
Revenue from operations	1,50,258.53	1,66,290.16
Other income	5,633.71	6,369.32
Total Revenue	1,55,892.24	1,72,659.48
Earnings Before Interest, Depreciation, Taxation & Amortisation (EBITDA)	23,722.39	32,388.92
Finance Costs	4,555.96	4,620.06
Depreciation	4,624.24	4,116.71
Profit/(Loss) Before Taxation	14,542.19	23,652.15
Less: Tax including Deferred Tax	4,176.96	4,884.53
Profit/(Loss) After Taxation	10,365.23	18,767.62

DIVIDEND:

Your directors recommend payment of dividend of Rs.6/- (60%) per equity share of Rs.10/- each for the financial year ended 31st March, 2021 (previous year Rs.7.00 per share) amounting to Rs.2801.90 lakhs. The dividend payout is subject to approval of the members at the ensuing Annual General Meeting.

RESERVES:

During the year under review, the Company proposes to transfer Rs.5,000 lakhs to the General Reserve.

SHARE CAPITAL

The paid up equity share capital of your Company as on 31 March 2021 was Rs.46.70 Crores. There was no fresh issue

of capital during the year under review. The Company has neither issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options.

REVIEW OF OPERATIONS:

During the FY 2020-21, your Company has produced 2,37,156 MT of Ductile Iron Pipes, which is lower by 56,335 MT compared to the FY 2019-20. The Company has lost production during entire April'20 due to shutdown of the plant following nationwide lockdown imposed by the Central Government to contain the spread of Covid19 pandemic. Though, production has started in a phased manner from 1st week of May, 2020, due to absenteeism consequent to the nationwide lockdown, plant could not be operated at full capacity till August, 2020, which has resulted in lower production during the year under review compared to FY 2019-20. Your directors are pleased to inform that your Company has come out of the clutches of the Pandemic, restoring normalcy from September, 2020 and the plant has been operating at full capacity.

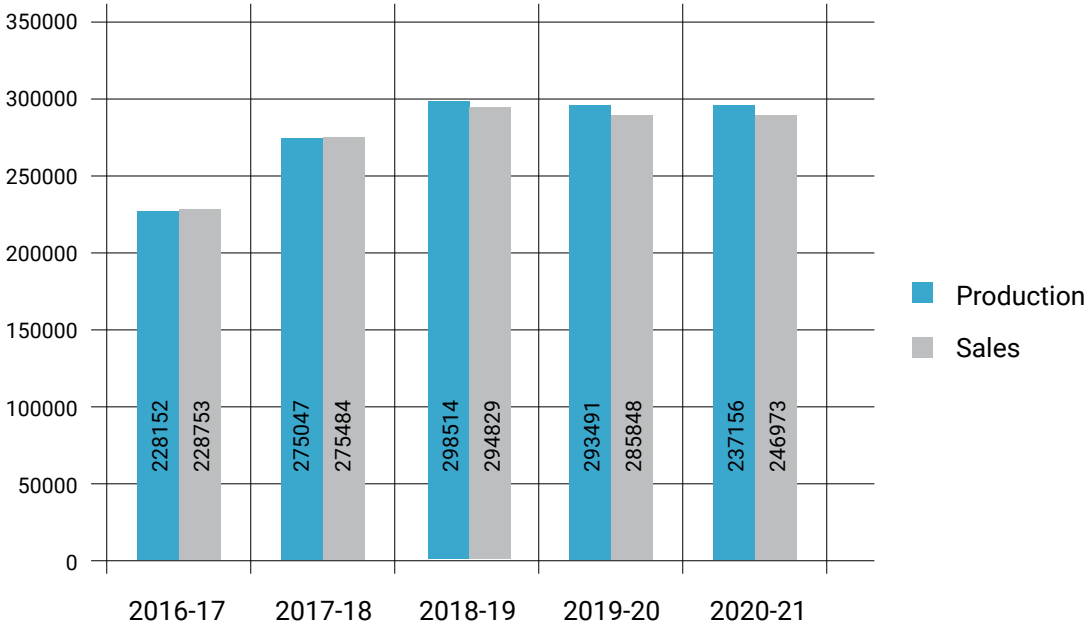
Your Company continues to play a constructive role in the nation building movement by contributing to water supply and infrastructure development in the country, which are the thrust areas of the Government. During the FY 2020-21, your Company's Ductile Iron Pipes of about 6,500 KM have been used for transportation of potable water and sewerage under its brand name "SRIPIPES" for various prestigious water projects across the country, thus increasing its market share further.

Production at a glance:

Product	2020-21		2019-20		% of Change	
	Prod.	Sales *	Prod.	Sales *	Prod.	Sales
Ductile Iron Pipes (MT)	2,37,156	2,46,973	2,93,491	2,85,848	-19.19	-13.60
Liquid metal from MBF (MT)	2,58,978	2,59,925	2,99,477	2,98,326	-13.52	-12.87
LAM Coke (MT)	1,68,499	1,78,375	1,67,240	1,75,101	0.75	1.87
Cement (MT)	81,788	82,554	60,654	60,719	34.84	35.96

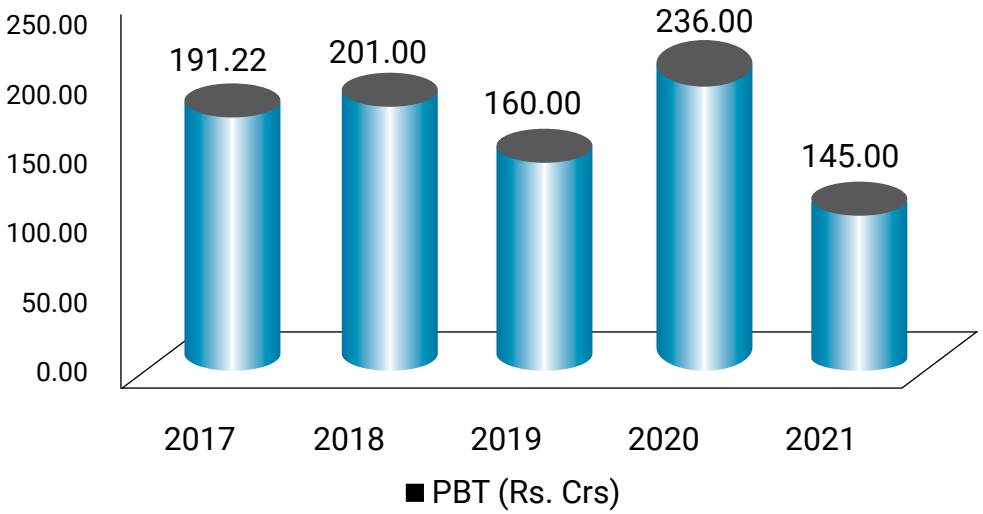
*Sales include captive consumption also.

Production/Sales of Ductile Iron Pipes (2017 - 2021):



During the year under review, your Company has reported Profit Before Tax (PBT) of Rs. 145.42 Crores, which is lower by 38.52% compared to FY 2019-20. The decline in the profitability of your Company is largely attributable to reduced production on account of Covid-19 pandemic. Your Company has registered a reduction of about 19.25% in revenue from Ductile Iron Pipes at Rs.1,127.15 Crores as compared to Rs.1,395.60 Crores achieved during the FY 2019-20. The EBITDA of the Company was also lower at Rs.237.22 Crores and the Profit After Tax (PAT) being Rs.103.65 Crores compared to Rs. 323.89 Crores and Rs.187.67 Crores, respectively, achieved during the FY 2019-20.

Pre-tax Profit (2017 -2021):



FUTURE PROSPECTS:

Although Covid-19 pandemic has impacted the execution of Phase I of expansion plans envisaged during the FY 2019-20 to install new MBF, additional Hot Blast Stoves, Raw material handling system, though delayed, has reached to the stage of completion of the said project. However, due to 2nd wave of the pandemic, the proposed capital shutdown for the commissioning of new blast furnace may get slightly delayed for mobilization of resources required for the shutdown. Post commissioning, the capacity of mini blast furnace will be increased from 3,00,000 TPA to 5,00,000 TPA. Further, in connection with augmenting the production capacity of DI Pipes to 4,00,000 TPA in line with blast furnace production capacity, facilities like additional Annealing Furnace, new induction furnace in place of existing induction furnace 3, relocation of rework bay and 1200 dia production facilities have been completed and other facilities like zinc coating machine for finishing line 3, new induction furnace in place of existing induction furnace 2, upgradation of converter will be taken up during the capital shutdown for commissioning of new blast furnace. Upon completion of these facilities, the capacity of DI Pipe Plant will also be increased to 4,00,000 TPA.

The Company is having comfortable order book for supply of Ductile Iron pipes. During this Covid-19 situation, safe and hygienic water supply is most important for the Government. Ductile Iron pipe is the safest and most suitable pipe for transportation of water not only in urban cities but also in rural India. The Company is hopeful that Central and State Governments will continue to give priority and remain committed in respect of ongoing and future water supply, sewerage and irrigation and other projects in the country. With enhanced production capacity, the company should be able to serve more customers and will command more market share.

AMALGAMATION WITH ELECTROSTEEL CASTINGS LIMITED:

The Company and Electrosteel Castings Limited are under the control of common promoter group and both the Companies are engaged in the same line of business, i.e., manufacture and sale of ductile iron pipes and both have common economic objective and strategic goals. Considering various advantages of amalgamation, viz., operational synergies, greater efficiency and economical operations for future growth of the combined entities, efficient utilization of capital, superior deployment of brand promotion, sales strategies and creation of a consolidated and diversified base for future growth with a wider presence in the Ductile Iron Pipe segment, prevention of cost duplication, administrative and operational rationalization and promote organizational efficiencies, the Board of Directors of the Company, at its meeting held on 5th October, 2020, had approved the proposal and the Scheme of amalgamation of the Company with Electrosteel Castings Limited.

Subsequently, the Scheme application was filed by the Company under Regulation 37 of Listing Regulations, 2015 with both National Stock Exchange of India Limited and BSE Limited and the same have been reviewed by the exchanges and the observation letters were forwarded to SEBI by both the exchanges. SEBI having scrutinized the Scheme application had accorded its approval for the proposed Scheme of Amalgamation. Both the exchanges have issued their respective Observation/No-Objection Letters, dated 25 February, 2020, for the aforesaid proposed Scheme of amalgamation. Further, the Company has received the approval of Competition Commission of India for the proposed Scheme.

Upon receiving the aforesaid Observation/No-Objection Letters, the Company had filed its application with National Company Law Tribunal ('NCLT'), Amaravathi Bench at Hyderabad, where the initial hearing was held on 19th March, 2021. NCLT, Amaravati Bench, vide order dated 30 April, 2021, has directed that the meetings of shareholders and creditors be held on 16 June, 2021 for, inter alia, approving the Scheme. In view of the various circulars issued by Ministry of Corporate Affairs and taking into consideration the prevailing Covid-19 pandemic situation, the Company is in the process of holding the said meetings through Video Conference/Other Audio Visual Means.

Application filed by Electrosteel Castings Limited before the NCLT, Cuttack Bench, is pending for hearing and order.

CREDIT RATING:

India Ratings & Research has assigned its rating for the Company's long term borrowing programmes and fund based working capital facilities with IND AA-/RWN and rating IND A1+/RWN for the Company's non-fund based working capital facilities and Commercial Paper.
The Company has withdrawn the ratings assigned by CARE Ratings Limited ('CARE') for the long-term bank facilities as "CARE A+; Stable" and for short-term bank facilities as "CARE A1+".

CHANGES IN DIRECTORS/KEY MANAGERIAL PERSONNEL:

Resignation of Independent Directors:

During the year under review, Mr X.J.J. Abraham and Mrs S. Hemamalini, Independent Directors, have resigned from their directorships with effect from close of working hours of 9th and 10th September, 2020, respectively, due to health reasons and pre-occupation with other commitments, respectively. Your Directors place on record their sincere appreciation for the active participation and valuable contributions rendered to the Company by them during their association with the Company.

Appointment of Independent Director:

Upon the recommendation of Nomination and Remuneration Committee, the Board has approved the appointment of Dr Mohua Banerjee as an Additional Director (independent) of the Company for a period of five years with effect from 16th November, 2020, subject to the approval of the shareholders of the Company. Your Company has received a notice under Section 160 of the Companies Act, 2013 from a shareholder of the Company, signifying his intention to propose the name of Dr Mohua Banerjee, for appointment as an Independent Director of your Company in the ensuing Annual General Meeting. An affirmation had been received from Dr Banerjee that she is not debarred or disqualified from being appointed as Director of companies/holding the office of director pursuant to any order of the SEBI, Ministry of Corporate Affairs or any such statutory authority. Brief profile of Dr Mohua Banerjee and requisite consents, disclosures and declarations received from her have been given in the Notice of the ensuing Annual General Meeting, for the perusal of the shareholders.

Re-appointment of director:

Mr Ashutosh Agarwal retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

In compliance with Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings, brief resume and other information of all the Directors proposed to be re-appointed are given in the Notice of the ensuing Annual General Meeting.

Appointment of Chief Executive Officer:

Upon the recommendation of Nomination and Remuneration Committee, the Board has approved the appointment of Mr S.N. Goswami as Chief Executive Officer of the Company with effect from 6th August, 2020.

There were no other changes in the Board and the Key Managerial Personnel during the year under review.

Independent Directors:

The Company has received declarations from the Independent Directors confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI's Listing Regulations, 2015, as amended from time to time.

Further, in terms of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014, as amended, the Board of

Directors state that in the opinion of the Board, Dr Mohua Banerjee, who has been appointed as an Additional Director (Independent), is a person of integrity and possesses relevant expertise and experience. Further, Dr Banerjee has successfully qualified the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

The Board of Directors of your Company confirms that plans are in place for orderly succession for appointment to the board of directors and senior Management and they are reviewed every year.

CORPORATE GOVERNANCE:

Your Company ensures to evolve and follow the corporate governance guidelines and best practices to enhance long term shareholder value. Your Company considers it an inherent responsibility to disclose timely and accurate information regarding its operations as well as governance of the Company.

A separate section on Corporate Governance and the certificate from the Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in Regulation 34 read along with Schedule V of the SEBI Listing Regulations, forms part of this Report at Annexure I.

INTERNAL FINANCIAL CONTROLS & ADEQUACY:

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting and monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

The controls, based on the prevailing business conditions and processes have been tested during the year and no reportable material weakness in the design or effectiveness was observed. The framework on Internal Financial Controls over Financial Reporting has been reviewed by the Internal and Statutory auditors.

The Company's internal financial controls were operating effectively based on the internal control criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal control over financial reporting issued by the Institute of Chartered Accountants of India.

The Audit committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements wherever needed to strengthen the same.

MANAGEMENT DISCUSSION AND ANALYSIS:

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), discussion on state of Company's affairs has been covered as part of the Management Discussion and Analysis (MDA) in a separate section vide Annexure II to this Report.

RISK MANAGEMENT POLICY:

The Company has a well defined Risk Management Policy to identify and evaluate business risks, which protects and adds value to the organization by minimizing adverse effect on the business of the Company. The major risks identified by the functions are systematically addressed through mitigating actions on a continuous basis. The risks are evaluated, quantified & prioritized and mitigation plans are reviewed & monitored at various stages. The major risks connected with the business, their likely bearing on the performance of the Company and their mitigation are covered under Risks and Concerns Section of the Management Discussion and Analysis, which forms part of this report.

NOMINATION & REMUNERATION POLICY:

The Board has adopted a Nomination and Remuneration Policy recommended by Nomination and Remuneration Committee in terms of the provisions of Section 178 of the Act. The Nomination and Remuneration Policy is available at the Company's website http://www.srikalahasthipipes.com/static-files/pdf/policies/Nomination%20and%20Remuneration%20Policy.pdf.

The Nomination and Remuneration Committee of the Company is in compliance with the provisions of Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the terms of reference to the Committee include :-

- To guide the Board in relation to appointment, retention and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on remuneration payable to the Directors and Key Managerial Personnel.
- Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Devise a policy on Board diversity.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Your Company understands its social responsibility and remain focussed to support those from the socially and economically backward groups and remain focussed to improve the quality of life of the various communities. In this process, your Company has identified several corporate social responsibility initiatives relating to Social Empowerment & Welfare, Village development, Health Care, Education and animal welfare during the year and initiated various activities in neighbouring villages around plant locations.

The Board has adopted a Corporate Social Responsibility Policy (CSR Policy), in accordance with Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with section 134 (3) and 135 (2) of the Companies Act, 2013, including the contents of the CSR Policy, composition of the Committee and other particulars, is at Annexure III to this Report.

During the FY 2020-21, the Company has spent Rs.387.85 lakhs as against Rs.386.39 lakhs which was required to be spent, towards various CSR activities viz. promotion of education, village development, medical health and animal welfare, which are covered in detail in the Report on CSR, which forms part of this report. Further, the unspent CSR amount of Rs.5.04 lakhs relating to FY 2019-20, which was earmarked for the purpose of animal welfare and protection, has been remitted by the Company in a separate "Unspent Corporate Social Responsibility Account" and the entire amount has been spent towards the intended project during the FY 2020-21.

Your Company continues to stay focussed on initiatives that would auger well for the overall development of the communities and make a difference in the quality of living of the underprivileged.

WHISTLE BLOWER MECHANISM (POLICY):

The Company has a vigil mechanism named Whistle Blower Policy / Vigil Mechanism wherein, Employees/ Directors/Stakeholders of the Company are free to report any unethical improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguard against victimization of employees who avail the mechanism and also provides direct access to the Chairman of the Audit Committee. During the year under review, the Company has not received any complaints under the said mechanism. The Whistle Blower Policy of the Company has been displayed on the Company's website at http://www.srikalahasthipipes.com/static-files/pdf/policies/Whistle%20Blower%20Policy.pdf.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE POLICY:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there-under, your Company has constituted Internal Complaints Committee (ICC). While maintaining the highest governance norms, the Company has zero tolerance for sexual harassment at workplace. During the year 2020-21, the Company has not received any complaint of sexual harassment.

BOARD EVALUATION:

The Board of Directors carry out an annual evaluation of its performance, and the performance of its Committees as well as individual Directors. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The criteria for the performance evaluation of the Board of Directors includes aspects such as its composition and structure, and the effectiveness of its processes, information flow and functioning. The criteria for the performance evaluation of individual Directors includes aspects, such as the Director's contribution to the Board of Directors and Committee meetings, including preparation on the issues to be discussed as well as meaningful and constructive contribution and inputs during meetings. In addition, the Chairperson is evaluated on the key aspects of his/her role.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the Board as a whole, performance of the Committee(s) of the Board and performance of the Chairman was evaluated, taking into account the views of other directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

FAMILIARISATION PROGRAMME:

All the Board members of the Company are provided every opportunity to familiarize themselves with the Company, its management, its operations and industry perspective

on a regular basis. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them is/are also shared with them for enabling a good understanding of the Company, its various operations and the industry.

The Company organised an online presentation to the independent directors during which the Senior Management team apprised the directors on the detailed operational aspects. The Directors were also apprised on key aspects of operations and market trend and the Company's performance and its future projects.

The details of programmes for familiarisation for Independent Directors are posted on the website of the Company at www.srikalahasthipipes.com

NUMBER OF MEETINGS OF THE BOARD:

The details of the number of Meetings of the Board held during the Financial Year 2020-21 are given in the Corporate Governance Report which forms part of this report.

RELATED PARTY TRANSACTIONS:

All related party transactions (RPTs) entered into by the Company with its related parties during the year under review were on arms' length basis and in the ordinary course of business and did not attract provisions of Section 188 of the Companies Act, 2013, thus disclosure in Form AOC-2 is not required. During the year 2020-21, as required under Section 177 of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, 2015, all RPTs were placed before Audit Committee for its approval.

A statement showing the disclosure of transactions with related parties as required by Ind AS 24 is given separately in this Annual Report under notes to financial statements. There were no material transactions entered into with related parties, during the year under review, which may have had any potential conflict with the interests of the Company.

The Company has formulated a policy on "Related Party Transactions" and the process of dealing with such transactions, which are in line with the provisions of the Companies Act, 2013 and SEBI LODR. The same is available on the website of the Company http://www.srikalahasthipipes.com/static-files/pdf/policies/related-party-transaction-policy.pdf.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, in terms of Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. The said statement is available for inspection by the members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is forming part of this report vide Annexure IV.

Energy conservation, technology absorption and foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in Annexure V and forms part of this report.

Annual Return:

Pursuant to Section 92(3), read with Section 134(3)(a) of the Act, a copy of the Annual Return of the Company as on the Financial Year ended 31 March, 2020, in Form No. MGT-7, can be accessed on the website of the Company, at http://www.srikalahasthipipes.com/investors/compliancereports/annualreturn.aspx.

Further, pursuant to Section 92(3) of the Act, the Annual Return of the Company as on the Financial Year ended 31 March, 2021, will be duly uploaded on the website of the Company, at http://www.srikalahasthipipes.com/investors/compliance-reports/annual-return.aspx,upon filing of the same with the Registrar of Companies, under Section 92(4) of the Act.

OTHER DISCLOSURES:

Particulars of information forming part of the Board's Report pursuant to Section 134 of the Companies Act, 2013 and relevant Rules thereof, not covered elsewhere in the report are given hereunder:

1. The Company, as per its policy, has granted loans to employees aggregating Rs.39.32 lakhs during the year ended 31st March, 2021.
2. Particulars of Loans or investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statement provided in this Annual Report. These loans are primarily granted for

effective utilization of surplus funds available with the Company.

3. There are no material changes or commitments occurring after 31st March, 2021, which may affect the financial position of the Company or may require disclosure.
4. During the year under review, there has been no change in the nature of business of the Company.
5. The Company did not have any subsidiaries, joint ventures and associate companies, which have ceased during the year.
6. The Company has not accepted deposits under Chapter V of the Companies Act, 2013.
7. The Company has not received any such orders from Regulators, Courts or Tribunals during the year, which may impact the going concern status or the Company's operations in future.
8. The Company is in compliance with the Se cretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2).
9. Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government – Not Applicable.
10. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year - Not Applicable.
11. 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 - Not Applicable.
12. Suspension of trading of Securities -Not applicable as none of the securities of the Company are suspended from trading.

STATUTORY AUDITORS:

M/s. Lodha & Co., Chartered Accountants (Firm Reg. No. 301051E), were appointed as Statutory Auditors of the Company for a term of five years (subject to ratification by shareholders at every AGM, if required, under the prevailing law at that time) to hold office from the conclusion of 25th Annual General Meeting held in 2017 till the conclusion of 30th Annual General Meeting of the Company to be held in 2022.

The requirement to place the matter relating to appointment of the Auditors for ratification by the members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of the Auditors, who were appointed in the Annual General Meeting held on 27th September, 2017. Further, the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

MAINTENANCE OF COST RECORDS AND AUDIT THEREOF:

The Company is required to maintain cost records for Cement & Steel (DI Pipes) for every Financial Year, as specified by the Central Government under Section 148(1) of the Act, and accordingly, such accounts and records are made and maintained in the prescribed manner.

In terms of the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed (particulars of the Cost Auditor for 2020-21 shall be mentioned first) M/s. Narasimhamurthy & Co., Cost Accountants, Hyderabad as Cost Auditors, to conduct the cost audit of your Company for the financial year ending 31st March, 2022, at a remuneration as mentioned in the Notice convening the Annual General Meeting. As required under the Act, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to Cost Auditors forms part of the Notice of the ensuing Annual General Meeting. The Cost Audit Report of the Company for the Financial Year ended 31 March, 2020, as given by M/s Narasimhamurthy & Co., was filed in XBRL mode with the Ministry of Corporate Affairs within the stipulated due date.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules thereunder, Mr. S. Chidambaram, Company Secretary in Practice was appointed to conduct the secretarial audit of the Company for the FY 2020-21. The secretarial audit report confirming compliance by Practicing Company Secretary to the applicable provisions of the Companies Act, 2013, SEBI LODR Regulations, 2015 and other applicable laws is appended at Annexure VI to this report and it does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS:

In line with the provisions of Section 138 of the Companies Act, 2013, M/s. Chaturvedi & Co, Chennai were appointed by the Board as Internal Auditors of the Company for the FY 2020-21. The Audit Committee defines the scope of internal audit from time to time and also reviews the observations of internal auditors and the action taken report submitted by the management on the observations at its meeting held every quarter and also suggests the management the improvements required in the systems followed by the Company.

GREEN INITIATIVE:

In support of "Green Initiative" taken by the Ministry of Corporate Affairs ("MCA") in the Corporate Governance" by allowing service of documents by a Company to its Members through electronic mode, the Company will continue to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., in electronic form, to the email address provided by the Members to the Depositories or to the Company.

Your Company impresses upon its shareholders to contribute to this green initiative in full measure by registering their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members whose e-mail ID is not registered with the Company/Depositories are requested to take necessary steps for registering the same so that they can also become a part of the initiative and contribute to the Green Movement.

ANNEXURES TO THE BOARD'S REPORT:

1. Corporate Governance Report is enclosed vide Annexure – I.
2. Pursuant to Regulation 34 of Listing Regulations, 2015, Management Discussion and Analysis Report is enclosed vide Annexure – II.
3. Pursuant to Section 135 (4) (a) of the Companies Act, 2013 read with Rule 8 (1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on CSR activities in the prescribed format, forming part of the Director's Report is enclosed vide Annexure – III.
4. Disclosure under Section 197 (12) read with Rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014 is enclosed vide Annexure – IV.
5. Pursuant to Section 134 (3) (m) of the Companies Act, 2013, information relating to Conservation of Energy, Technology absorption and foreign exchange earnings and outgo is enclosed vide Annexure –V.
6. Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014, the Secretarial Audit Report is enclosed vide Annexure – VI.
7. Pursuant to Regulation 34 of Listing Regulations, 2015, Business Responsibility Report is enclosed vide Annexure VII.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms that:

I. In the preparation of annual accounts for the Financial Year ended 31st March, 2021, the applicable accounting standards have been followed and there has been no material departure.

II. The selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the financial year ended 31st March, 2021.

III. 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.

IV. The annual accounts have been prepared on a going concern basis.

V. Sufficient internal financial controls have been laid down and such internal financial controls are adequate and were operating effectively, and

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

ACKNOWLEDGEMENTS:

Your Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. Your Directors would also like to thank the shareholders, employee unions, customers, dealers, suppliers, bankers, Governments and all other business associates for their continuous support to the Company and their confidence in its management on behalf of the Board.

Your Directors also wish to place on record their appreciation for the valuable support received by your Company from Banks, Govt. Authorities, Customers, Auditors and other stakeholders. The Board thanks the employees at all levels for the dedication, commitment and hard work put in by them for Company's achievements. Your Directors are grateful to the Shareholders/ Stakeholders for their confidence and faith reposed in the management of the Company.

Your Directors also place on record their sincere appreciation for the valuable guidance received from Mr Mayank Kejriwal, Managing Director and for his useful contribution, which is instrumental in shaping the progressive growth of your Company.

For and on behalf of the Board of Directors

R.K. Khanna
Chairman
(DIN:05180042)

Dated: 4th May, 2021

Corporate Governance

Annexure I to Directors' Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company is committed to the adaption and implementation of good corporate governance practices and its adherence at all times as mandated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by establishing procedures and systems. Periodic review of the procedures and systems are done in order to ensure that Company's governance practices reflect the culture of the trusteeship deeply ingrained in our value system.

In line with this philosophy, the Company always strives for excellence through adoption of best governance and disclosure practices. The Company, as a continuous process, strengthens the quality of disclosures, on the Board composition and its functioning, remunerations paid and level of compliance with various Corporate Governance requirements.

BOARD OF DIRECTORS:

In keeping with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate mix of executive, non-executive, independent and women directors to maintain the independence of the Board and to separate the Board functions of governance and management.

The composition of the Board of your Company is in conformity with Regulation 17 of SEBI (LODR), Regulations, 2015. The number of Independent Directors is more than one-third of the total number of Directors on the Board of your Company, with Chairman of the Board being an independent director.

The Board provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations. The Board, as part of its functioning, annually reviews its role and also evaluates the performance of the Directors and the Committees of the Board.

The Board of Directors of your Company are seasoned professionals drawn from diverse fields, possessing requisite qualifications and experience in general corporate management, finance, economics, and other allied fields which enable them to contribute effectively to your Company and enhance the quality of Board's decision making process.

The Independent Directors annually provide a certificate of independence in accordance with the applicable laws which is taken on record by the Board. All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Act and on the Committee positions held by them in other companies. The appointment of the Managing Director and Whole-Time Director, including the tenure and terms of remuneration are also approved by the members at the first meeting after the said appointment.

All Board members are encouraged to meet and interact with the management. Board members are invited at key meetings of senior management for strategic guidance and advice.

Composition of Board:

The Board currently comprises of Eight Directors as categorized below.

Category	No. of Directors
Executive	2
Non-executive Independent (Includes 1 Woman Director)	3
Non-executive Non-independent	2
Nominee Director	1
Total	**8**

The Board of Directors and the position they hold in other public companies including private companies which are subsidiaries of public companies as on 31st March, 2021 unless otherwise stated are given in the following table: -

Name of Director	Executive / Non-Executive / Independent	No. of Other* Directorships held	Other* Committee# positions held	
			As Chairman	As Member
Mr R. K. Khanna	Chairman –Non-executive- Independent	1	-	-
Mr Mayank Kejriwal	Managing Director-Executive	5	-	1
Mr Gouri Shankar Rathi	Whole-Time Executive Director	-	-	-
Mrs. S. Hemamalini (i)	Non-Executive-Independent	-	-	-
Mr T. Venkatesan	Non-Executive- Independent	2	-	-
Mr X.J.J. Abraham (ii)	Non-Executive- Independent	-	-	-
Dr.Mohua Banerjee (iii)	Non-Executive- Independent	1	-	-
Mrs. Priya Manjari Todi	Non-Executive – Non-Independent	-	-	-
Mr Ashutosh Agarwal	Non-Executive – Non-Independent	3	-	-
Mr M. Satyanarayana	Non- Executive- Nominee Director	-	-	-

(i) Resigned from the Board of Directors of the Company due to pre-occupation with other commitments and ceased to be a director of the Company with effect from 10th September, 2020.

(ii) Resigned from the Board of Directors of the Company due to health reasons and ceased to be a director of the Company with effect from 9th September, 2020.

(iii) Appointed as Additional Director (Independent), w.e.f. 16th November, 2020

* Excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

\# Only two Committees viz, Audit, and Stakeholders' Relationship Committees have been considered for this purpose.

None of the Non-Executive Directors have any pecuniary relationship or transaction with the Company in their personal capacity, other than those disclosed under related party transactions elsewhere in the Annual Report.

Mr. Mayank Kejriwal is the father of Mrs Priya Manjari Todi. Apart from this, none of the other Directors are in any way related to any other Director.

Details of directorships held in other listed entities by the directors:

Name of Director	Name of listed entity	Category
Mr Mayank Kejriwal	Electrosteel Castings Limited	Executive Director
Mr T. Venkatesan	Dalmia Bharat Sugar Industries Limited	Non-Executive Independent Director
Mr R.K. Khanna	Electrosteel Castings Limited	Non-Executive Independent Director
Dr Mohua Banerjee	Electrosteel Castings Limited	Non-Executive Independent Director

Confirmation regarding independent directors :

The Board of Directors has reviewed the declarations received from the Independent Directors confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI's Listing Regulations, 2015 as amended from time to time. The independent directors have also confirmed that they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence. The Board is of the opinion that the independent directors fulfill the conditions specified in the Companies Act and Listing Regulations, 2015 and are independent of the management.

The Independent Directors who had resigned during the year under revew before the expiry of their tenure had confirmed that there were no other material reasons for their resignation, other than those provided in the resignation letter.

Skills/expertise/competence of the board of directors :

The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Area	Skills/Expertise/Competence	Director possessing the skills
Business Operations	Expertise in marketing management and business development. Understanding of business dynamics across various geographical markets, industry verticals. Financial management and banking.	Mr G.S. Rathi Mr Mayank Kejriwal
Strategy and Planning	Ability to think strategically identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities. Experience in guiding and leading management teams to make timely and strategic decisions.	Mr Mayank Kejriwal Mrs Priya Manjari Todi
Sales and Marketing	Experience in developing strategies to grow sales and improve market share building and enhancing brand reputation.	Mr G.S. Rathi Mr. R.K. Khanna Dr. Mohua Banerjee
Governance & Risk Management	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas. Exposure in developing governance practices, serving the best interests of all stakeholders.	Mr G.S. Rathi Mr Ashutosh Agarwal
Financial expertise	Financial educational background, experience and exposure to financial management, expertise in low cost fund mobilization, fund raising and Mergers & Acquisitions.	Mr G.S. Rathi Mr Ashutosh Agarwal MrT.Venkatesan

Area	Skills/Expertise/Competence	Director possing the skills
Human Resources Management, Learning & Development, General Management	Polices related to HR for attraction and retention of talents, succession planning, engaging with trade unions, skill development, learning and development, etc.,. Business strategy and General Management.	Mr G.S. Rathi Mrs Priya Manjari Todi Dr Mohua Banerjee
Governmental Policies/Incentive Schemes, General Management	Exposure to procedures and process involved in various Governmental Policies and Schemes.	Mr M. Satyanarayana

Certificate on Directors non-disqualification :

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, issued by the Practicing Company Secretary is annexed to this Report.

BOARD PROCEDURES AND INFORMATION PLACED BEFORE THE BOARD:

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are supported by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated at least seven days prior to the Board meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda.

In addition to matters required to be placed before the Board, for its review / information under the Listing Regulations, 2015 and other statutes, the following are also tabled for the Board's periodic review / information:- External Audit Reports (through the Audit Committee), Status of safety and legal compliance, Risk management systems and processes, Significant court judgement or order passing strictures, if any, on the conduct of the Company, which could negatively impact the Company's image. Product liability claims of a substantial nature, if any. Default, if any, in payment of dues to any major creditor. Write-offs / disposals (fixed assets, inventories, receivables, advances etc.), significant development in Human Resources/ Industrial Relations. Material non-compliance of any regulatory or listing requirements.

The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to Board/ Committee members within 15 days from the date of meeting for their comments. Directors communicate their comments (if any) in writing on the draft minutes within seven days from the date of circulation. The minutes are entered in the minutes book within 30 days from the conclusion of the meeting and signed by the Chairman at the subsequent meeting. Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments/divisions for implementation.

With a view to leveraging technology and moving towards the system of paperless meetings for the preservation of environment, the Company has adopted the practice of conducting paperless meetings. The directors of the Company receive the agenda and other related papers of Board and its Committee meetings in electronic form, which will be accessed through their respective electronic gadgets during the course of meeting.

Apart from Board members and the Company Secretary, the Board and Committee meetings are also attended by the Chief Financial Officer and wherever required by the heads of various corporate functions.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the year 2020-21, ten Board Meetings were held and the dates of the meetings are as follows:

1st June, 2020, 2nd July, 2020, 27th July, 2020, 6th August, 2020, 18th September, 2020, 5th October, 2020, 2nd November, 2020, 16th November, 2020, 5th January, 2021 and 28th January, 2021.

The following table highlights the attendance of each Director at the respective meetings during the year 2020-21:

Name of Director	Board Meetings		AGM
	Held	Attended	
Mr R. K. Khanna	10	10	YES
Mr Mayank Kejriwal	10	5	NO
Mr Gouri Shankar Rathi	10	10	YES
Mrs. S. Hemamalini (i)	4	4	YES
Mr T Venkatesan	10	10	YES
Mr X.J.J. Abraham (ii)	4	4	YES
Dr Mohua Banerjee (iii)	3	3	NA
Mrs. Priya Manjari Todi	10	9	NO
Mr Ashutosh Agarwal	10	10	YES
Mr M. Satyanarayana	10	9	NO

(i) Resigned from the directorship w.e.f. close of working hours of 10th September, 2020
(ii) Resigned from the directorship w.e.f. close of working hours of 9th September, 2020.
(iii) Dr Mohua Banerjee was appointed as Additional Director (Independent) w.e.f. 16th November, 2020

Familiarisation Programme for Independent Directors:

All the Board members of the Company are provided every opportunity to familiarize themselves with the Company, its management, its operations and industry perspective on a regular basis. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them is/are also shared with them for enabling a good understanding of the Company, its various operations and the industry.

The Company believes that a Board, which is well familiarised with the Company and its affairs, can contribute effectively to discharge its role in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions. Details of Familiarisation programme imparted for Independent Directors are placed at the website of the Company http://www.srikalahasthipipes.com/static-files/pdf/appointment-letters-to-independent-directors/familiarization-directors.pdf

Meeting of Independent Directors :

The Independent Directors of your Company met on 28th January, 2021 without the presence of Non-Independent Directors and members of the management. The meeting was conducted in an informal and flexible manner to enable the Independent Directors to, inter alia, discuss matters pertaining to review of performance of Non- Independent Directors and the Board as a whole. They also reviewed the performance of the Chairman of the Company after taking into account the views of the Executive and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction on the overall performance of the Directors and the Board as a whole.

AUDIT COMMITTEE:

The Audit Committee comprises of three directors including two Non- Executive and Independent Directors. Mr T. Venkatesan, Non-executive Independent Director is the Chairman of the Audit Committee. The Members possess adequate knowledge on Accounts, Audit, Finance, Costing etc. The composition of the Audit Committee meets the requirements as per Section 177 of the Companies Act, 2013 and Regulation 18(1) of the SEBI (LODR), Regulations, 2015.

The Audit Committee acts as a link between the management, the statutory and the internal auditors and the Board of Directors and oversees the financial reporting process. The Committee is governed by terms of reference, which are in line with the regulatory requirements mandated by the Companies Act, 2013 and Listing Regulations.

The role of the Committee includes the following:

a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
b) To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors.
c) To recommend the appointment, remuneration of Cost Auditors.
d) To approve transactions of the Company with related parties, including modifications thereto.
e) To review and monitor the Statutory Auditors' independence and performance, and effectiveness of the audit process.
f) To evaluate the Company's internal financial controls and risk management systems;
g) To review with the management the Annual financial statements and Auditors' Report thereon before submission to the Board for approval.
h) To review quarterly financial statements before submission to the Board for approval.

i) To review Management discussion and analysis of financial condition and results of operations.
j) To review adequacy of internal financial control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
k) To review Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon.
l) To review the functioning of Whistle Blower mechanism in the Company.

Apart from the above, the role and powers of the Audit Committee are as laid down under Regulation 18(3) and Part C of Schedule II of the SEBI (LODR Regulations) and Section 177 of the Companies Act, 2013, as amended from time to time.

The Audit Committee during the year ended 31st March, 2021 had six meetings i.e. on 1st June, 2020, 27th July, 2020, 5th October, 2020, 2nd November, 2020, 5th January, 2021 and 28th January, 2021.

Consequent to change in directors, the Audit Committee has been reconstituted with effect from 18th September, 2020.

The composition of the Audit Committee and attendance during the year are as under:

Sl. No.	Name of Directors	Position	Executive / Non-Executive / Independent	No. of meetings attended
1	Mr T. Venkatesan	Chairman	Independent, Non-Executive	6
2	Mr R. K. Khanna	Member	Independent, Non-Executive	6
3	Mr X.J.J. Abraham (i)	Member	Independent, Non-Executive	2
4	Mr G.S. Rathi (ii)	Member	Non-Independent, Executive	4

(i) Ceased to be Member of the Committee w.e.f. 9th September, 2020
(ii) Inducted in to the Committee as a Member w.e.f.18th September, 2020.

The Audit Committee met on 4th May, 2021 for considering finalization of accounts for the year ended 31st March, 2021.

Mr. G. Kodanda Pani General Manager (Finance) & Company Secretary acts as the Secretary to the Audit Committee. The Managing Director, the Whole-time Director, Statutory Auditors and Internal Auditors, Key Managerial Personnel and Senior Executives attend the meetings to answer the queries raised by the Committee. The Internal Auditor reports directly to the Audit Committee.

Mr T. Venkatesan, Chairman of the Audit Committee had attended the last Annual General Meeting of the Company held on 27th July, 2020 to answer the queries of shareholders.

NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises of two Non-Executive Independent Directors and one Non-Executive Non-Independent Director.

The composition of the Nomination & Remuneration Committee as on 31st March, 2021 and attendance during the year are as under:

Sl.No.	Name of Directors	Position	Executive / Non-Executive / Independent	No. of meetings attended
1	Mr T. Venkatesan	Chairman	Independent, Non-Executive	3
2	Mr R.K.Khanna	Member	Independent, Non-Executive	3
3	Mr Ashutosh Agarwal	Member	Non-Independent, Non-Executive	3

The Nomination and Remuneration Committee met three times during the year on 1st June, 2020, 6th August, 2020 and 16th November, 2020. The necessary quorum was present at all the meetings. Mr T. Venkatesan, Chairman of the Nomination and Remuneration Committee had attended the last Annual General Meeting of the Company held on 27th July, 2020 to answer the queries of shareholders. The criteria for nomination of Directors, KMP, Senior Management Personnel and their remuneration including criteria for promotion is described in Nomination and Remuneration Policy of the Company which can be accessed at the website of the Company http://www.srikalahasthipipes.com/static-files/pdf/policies/Nomination%20and%20Remuneration%20Policy.pdf.

The Nomination and Remuneration Committee and the Policy are in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the Committee inter-alia include the following:

a. Identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal.
b. Formulation of criteria for evaluation of Independent Directors and the Board

c. Carry out evaluation of every director's performance.

d. Formulate the criteria for determining qualifications, positive attributes and independence of a director.

e. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

f. Devise a policy on Board diversity.

Remuneration to Directors

The Board of directors decides remuneration payable to executive and non-executive directors. Besides sitting fees of Rs.45,000 per meeting of the Board, Audit Committee and Rs.20,000 per meeting of other Committees thereof, the Company also pays commission to the non-executive directors. For the FY 2020-21, the Board, based on the recommendation of Nomination and Remuneration Committee has approved a commission of Rs.134,00,000 to the non-executive directors, which is within the overall limits prescribed under Sections 197 & 198 of the Companies Act, 2013.

Having regard to the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 4th May, 2021 approved remuneration to executive and non-executive directors as given in table hereunder. The commission and sitting fees for attending the meetings of the Board and its Committees paid to Non-executive directors are also given in the table below :-

Name of the Director	Commission/ Remuneration (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr R.K.Khanna	6,00,000	8,80,000	14,80,000
Mr Mayank Kejriwal	7,20,00,000	---	7,20,00,000
Mr Gouri Shankar Rathi	1,90,60,558	---	1,90,60,558
Mrs S.Hemamalini	---	2,20,000	2,20,000
Mr T. Venkatesan	6,00,000	8,20,000	14,20,000
Mr X.J.J. Abraham	---	2,70,000	2,70,000
Mrs Priya Manjari Todi	1,10,00,000	4,65,000	1,14,65,000
Mr Ashutosh Agarwal	6,00,000	6,70,000	12,70,000
Dr Mohua Banerjee	6,00,000	1,35,000	7,35,000
APIDC	----	4,05,000	4,05,000
Total	**10,44,60,558**	**38,65,000**	**10,83,25,558**

Notes :

1. There were no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the Financial Year ended 31.3.2021, other than those disclosed under related party transactions elsewhere in the Annual Report.
2. No stock options have been granted to any Director of the Company.
3. Mr X.J.J. Abraham and Mrs S. Hemamalini ceased to be directors of the Company with effect from close of working hours of 9th and 10th September, 2020.
4. Dr Mohua Banerjee was appointed as an Additional Director (Independent) with effect from 16th November, 2020.

Criteria for making payments to non-executive directors:

The aggregate remuneration/commission payable to all the Non-executive directors will be recommended by the Nomination and Remuneration Committee (NRC) to the Board based on Company's performance, profits and any other significant qualitative parameters as may be decided by the Board.

The NRC will recommend to the Board, the quantum of remuneration/commission for each Director based upon individual contributions of directors and their active involvement and participation in strategic decision making. Based on the recommendation of the NRC, the Board will consider payment of remuneration/commission to each of the non-executive director every year, for its approval, which shall be within the overall limits prescribed under the Companies Act, 2013.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015, the Directors have carried out annual performance evaluation of the Board as a whole, Independent Directors, Non Executive Directors, Executive Directors, Committee and Chairman of the Board.

The evaluation framework focused on various aspects of the Board and Committees such as review of timely information from management etc. Also, the performance of individual directors was divided into Executive, Non Executive and Independent Directors and based on the parameters such as contribution, attendance, decision making, action oriented approach, technical knowledge etc.

The performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed its satisfaction over its own performance, performance of its Committees and all the Directors individually.

Subsidiaries:

The Company has no subsidiary.

Details of Equity Shares of the Company held by Non-Executive Directors as on 31st March, 2021

Name of the Non-Executive Director	No. of shares
Mr R. K. Khanna	Nil
Mr T. Venkatesan	Nil
Dr Mohua Banerjee	Nil
Mrs Priya Manjari Todi	Nil
Mr Ashutosh Agarwal	25
Mr M. Satyanarayana, Nominee Director of APIDC	Nil

Code of Conduct:

The Company's Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors and Senior Management employees of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code is available on the Company's website http://www.srikalahasthipipes.com/static-files/pdf/code-of-conduct/Code%20of%20Directors.pdf.

All Directors and Senior Management personnel have affirmed compliance with the Code for 2020-21. A declaration to this effect signed by the Managing Director is given in this Annual Report.

Prevention of Insider Trading Code:

The Company has adopted a Comprehensive Code of Conduct for Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information in the securities of the Company to its Directors, Promoters, Key Managerial Personnel and Designated Persons. This Code lays down guidelines for procedure to be followed and disclosures to be made by insiders while trading in securities of the Company. It also includes practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Designated Persons and their immediate relatives while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed and other certain situations.

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members have confirmed compliance with the Code. The Code of Conduct to Regulate, Monitor & Report Trading by Insiders as per the SEBI (Prohibition of Insider Trading) Regulation 2015 is available in the Company's website http://www.srikalahasthipipes.com/static-files/pdf/code-of-conduct-for-insiders/code-of-conduct-insiders.pdf.

Whistle Blower (Vigil Mechanism) Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal and unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy in line with Section 177 of the Companies Act, 2013 and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. Under this Policy, employees are free to report violations of applicable laws and regulations and Code of Conduct. The Whistle Blower may send the complaint to the Chairman of the Audit Committee.

Further, it is hereby affirmed that the Company has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and that the Company has provided protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices. During the year under review, the Company has not received any complaints under the said mechanism. The Whistle Blower Policy of the Company has been displayed on the Company's website at http://www.srikalahasthipipes.com/static-files/pdf/policies/Whistle%20Blower%20Policy.pdf

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has constituted Stakeholders' Relationship Committee. The composition and terms of reference of the Stakeholders' Relationship Committee are in accordance with the provisions of Section 178(5) of the Companies Act, 2013.

Consequent to change in directors, the Stakeholders' Relationship Committee has been reconstituted with effect from 18th September, 2020. The composition of Stakeholders' Relationship Committee and the attendance during the FY 2020-21 are as under:

Sl. No.	Name of Directors	Position	Executive / Non-Executive / Independent	No. of Meetings attended
1	Mr Ashutosh Agarwal	Chairman	Non-independent Non-Executive	4
2	Mr G.S. Rathi	Member	Executive	4
3	Mrs S. Hemamalini (1)	Member	Independent Non-Executive	2
4	Mr T. Venkatesan (2)	Member	Independent, Non-Executive	2

(1) Ceased to be Member of the Committee w.e.f. 10th September, 2020.
(2) Inducted into the Committee w.e.f. 18th September, 2020.

The terms of reference of the committee:

The Stakeholders Relationship Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 and Part D of Schedule VI of the SEBI (LODR Regulations).

The Committee shall deal with various matters relating to redressal of shareholders and investor grievances, such as transfer and transmission of shares, issue of duplicate shares, non-receipt of dividend/notices/Annual Reports, etc. In addition, the Committee looks into other issues including status of dematerialisation of shares, systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

The terms of reference of the Committee are as follows:

1. To specifically look into the redressal of grievances of shareholders, debenture holders and other security holders;
2. To consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.; and
3. To review the status of unclaimed dividend and shares transferred to IEPF Authority.
4. To act in terms of any consequent statutory modification(s)/ amendment(s)/revision(s) to any of the applicable provisions to the said Committee.
5. To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA).
6. To Review of measures taken for effective exercise of voting rights by shareholders.
7. To Review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has delegated powers of share transfers to its Registrar & Transfer Agent M/s.Cameo Corporate Services Limited (CCSL). CCSL reviews share transfers every fortnight. All transfers, complaints, and other matters relating to shares are discussed at the Committee / board meeting every quarter.

a. Details of queries/ complaints received and resolved during the year 2020-21:

The total number of complaints received and resolved during the year was:

Nature of Complaints	Opening	Received During the year	Resolved	Pending Resolution
Non-Receipt of Dividend Warrants	Nil	1	1	Nil
Total	**Nil**	**1**	**1**	**Nil**

The aforesaid complaint was resolved to the satisfaction of the shareholder.

As confirmed by Cameo Corporate Services Limited (RTA of the Company) the complaints are generally attended within 15 days from the date of receipt.

b. Transfer of amounts to Investor Education and Protection Fund (IEPF) :

As the Company had not declared any dividend for the FY 2012-13, hence, there was no unclaimed dividend due to be transferred during the FY 2020-21 to Investor Education and Protection Fund of the Central Government, pursuant to Section 124 of the Companies Act, 2013.

In compliance with Section 124 of the Companies Act, 2015, the un-claimed dividend for the financial years 2013-14 and onwards will become transferable at the end of seven years from the respective dates of transfer of such amount to the unclaimed dividend accounts of the Company to IEPF and thereafter, no claim shall be entertained in respect of the dividend transferred to the Fund. The details of unclaimed dividend transferable to the said Fund are given below.

Year	Dividend per share (RS)	Date of declaration	Proposed date of transfer to IEPF account
2013-14	1.50	27.09.2014	26.10.2021
2014-15	3.00	24.08.2015	23.09.2022
2015-16	5.00	29.08.2016	28.09.2023
2016-17	6.00	27.09.2017	26.10.2024
2017-18	6.00	19.09.2018	18.10.2025
2018-19	6.00	06.09.2019	05.10.2026
2019-20	7.00	27.07.2020	26.08.2027

c. Transfer of un-claimed shares to IEPF Authority :

Pursuant to provisions of Section 124 and Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer And Refunds) Rules, 2016, as amended from time to time, ("the Rules" / "IEPF Rules") the company is required to transfer the equity shares in respect of which dividends have not been claimed for the last 7 years by any shareholder to the IEPF Authority. Accordingly, the unclaimed shares of concerned shareholders whose shares are liable to be

transferred to IEPF Authority have been transferred by the Company to IEPF Demat Suspense Account. The details of such unclaimed shares which have been transferred to the IEPF Authority is available on the website of the Company www.srikalahasthipipes.com.

d. Details of un-claimed Suspense account :-

As on 31 March 2021, there are no shares lying in the unclaimed suspense account.

COMPLIANCE OFFICER/ NODAL OFFICER FOR IEPF:

G.Kodanda Pani, Company Secretary, Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, AP., Ph: 08578-286650-55, Fax:08578-286657, E-mail:companysecretary@srikalahasthipipes.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has constituted Corporate Social Responsibility Committee. The composition and terms of reference of the Corporate Social Responsibility (CSR) Committee are in accordance with the provisions of Section 135 of the Companies Act, 2013. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of CSR Policy. The CSR policy of the Company is disclosed on the Company's Websitehttp://www.srikalahasthipipes.com/static-files/pdf/policies/CSR%20Policy.SPL.pdf.

The terms of reference of the CSR Committee broadly comprises:

- To formulate and recommend to the Board, a CSR Policy in terms of Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the CSR Policy of the Company from time to time; and
- To act in terms of any consequent statutory modification(s)/ amendment(s)/revision(s) to any of the applicable provisions.
-

The composition of the Corporate Social Responsibility Committee and the attendance during the FY 2020-21 are as under.

Sl. No.	Name of Directors	Position	Executive / Non-Executive / Independent	No. of Meetings attended
1	Mr G.S. Rathi	Chairman	Non-Independent, Executive	1
2	Mr R.K. Khanna	Member	Independent, Non-Executive	1
3	Mrs Priya Manjari Todi	Member	Non-Independent – Non-Executive	1

GENERAL MEETINGS

(a) Location and time of last three Annual General Meetings:

Date	Venue	Time
19.09.2018	Registered Office, Rachagunneri Village, Srikalahasthi Mandal, AP.	11.30 A.M.
06.09.2019	Registered Office, Rachagunneri Village, Srikalahasthi Mandal, AP.	12.00 Noon
27.07.2020	Held through Video Conference in line with various circulars issued by Ministry of Corporate Affairs and SEBI.	11.30 A.M.

(b) Special Resolutions passed in the last three Annual General Meetings :

Date of AGM	Details of Special Resolutions passed by members with requisite majority
19.09.2018	Nil
06.09.2019	1. Approval of re-appointment of Mr R.K. Khanna (DIN 05180042) as an Independent Director for the 2nd term of five years. 2. Approval of re-appointment of Mr G.S. Rathi (DIN:00083992) as a Whole-time Director of the Company for a period of five years with effect from 1st July, 2020.

27.07.2020	1. Approval of appointment of Mr X.J.J. Abraham (DIN: 01743445) as Independent Director of the Company for a term of five years. 2. Approval of re-appointment of Mrs S. Hemamalini (DIN 01947327) as Independent Director for the 2nd term of five years. 3. Approval of remuneration/commission payable to Mrs Priya Manjari Todi (DIN: 01863690) for the FY 2019-20. 4. Approval for increasing the borrowing powers under Section 180 (1) (c) of the Companies Act, 2013. 5. Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180 (1) (a) of the Companies Act, 2013.

(c) Postal Ballot

No Special Resolution requiring Postal Ballot was passed in the last Annual General Meeting and no Special Resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

DISCLOSURES :

- Pursuant to Clause 13 of Para C of the Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Company has specifically complied with the Corporate Governance requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of LODR, in addition to general compliance with all the mandatory requirements as specified in LODR.
- The Company has complied with all the requirements as stated in Para C(2) to Para C(10) of Schedule V to the Listing Regulations.
- The extent to which the discretionary requirements as specified in Part E of Schedule II to the Listing Regulations have been adopted.
- All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year were in the ordinary course of business and on arm's length basis. These transactions with the related parties are disclosed in Note 47 of Notes to the Financial Statements.
- None of the transactions with Related Parties was in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and or carried out on an arm's length basis or fair value. The Company has developed a policy on dealing with Related Party Transactions and also on dealing with materiality of related party transactions, which is uploaded on the website of the Company at http://www.srikalahasthipipes.com/static-files/pdf/policies/related-party-transaction-policy.pdf.
- The Managing Director has given declaration to the Board that he has no personal interest in any material, commercial and financial transactions that may have any potential conflict with the interest of the Company at large.
- No penalties or strictures were imposed on the Company for non-compliance by Stock Exchange / SEBI or any authority on any matter related to capital markets during the last 3 years.
- The CEO and the CFO have furnished a Certificate to the Board for the year ended 31st March, 2021 in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Disclosure of Accounting Treatment: In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.
- Risk Management: Board periodically reviews the compliance of all laws, regulations and various risks affecting the Company. Various Risk Management Systems adopted to mitigate the risks are also reviewed by the Board. Risk Management Policy approved by the Board can be accessed at the website of the Company www.srikalahasthipipes.com.
- Recommendation of Committees of the Board: During the FY 2020-21, there were no instances wherein the Board had not accepted recommendations of any of its Committees, which was mandatorily required.
- Total fees for all services paid by Company on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part: The total fees paid by the Company for all services to the Statutory Auditor for the Financial Year 2020-21 was Rs.19.75 lakhs (Excluding out of pocket expenses).

- No fee was paid by the Company for the Financial Year 2020-21 to the network firm/entity of which the Statutory Auditor was a part.

- Fee paid for the Financial Year 2020-21 by any subsidiary of the Company to the Statutory Auditor and entities in the network firm/network entity of which the statutory auditor is a part: Not Applicable as the Company has no subsidiary.

- The Auditors' Report does not contain any qualification, reservation or adverse remark.

- The details of utilization of funds raised through preferential allotment or Qualified Institutions Placement: Not Applicable, as the Company has no un-utilized proceeds of preferential allotment or Qualified Institutions Placement as at the beginning of the financial year.

- The policy on dealing with related party transactions is available in the website of the Company at http://www.srikalahasthipipes.com/static-files/pdf/policies/related-party-transaction-policy.pdf.

- During the FY 2020-21, there were no complaints in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- Outstanding global depository receipts or American Depository receipts or warrants : Not Applicable.

- Commodity price risk or foreign exchange risk and hedging activities: The Company is exposed to foreign exchange risk on account of import and export transactions entered. Also, it is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities:

  The Company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines, risk management plan/policies and prevailing market scenario. This is periodically reviewed by senior management team. The Board monitors the foreign exchange exposures on a quarterly basis and the steps taken by management to limit the risks of adverse exchange rate movement. Similarly, the management monitors commodities/raw materials whose prices are volatile and procurement is contracted considering volatility and plant requirements to minimize risk on the same.

- Credit ratings obtained during the FY 2020-21 by the Company for all its debt instruments are given under :

Sl No.	Instrument type	Rating/Rating Watch	Rating Action
1	Term loan	IND AA-/RWN	Placed on RWN
2	Fund-based working capital	IND AA-/RWN	Placed on RWN
3	Non-fund based working capital	IND A1+/RWN	Placed on RWN
4	Commercial Paper (to be carved out of working capital limits)	IND A1+/RWN	Placed on RWN
5	Fund-based working capital	IND AA-/RWN	Assigned and placed on RWN
6	Proposed non-fund based working capital	IND A1+/RWN	Assigned and placed on RWN

Further, the Company has withdrawn the ratings assigned by CARE Ratings Limited ('CARE') for the long-term bank facilities as "CARE A+; Stable" and for short-term bank facilities as "CARE A1+".

- Web link where policy for determining 'material' subsidiaries - Not Applicable.

- The Company has put in place succession plan for appointment to the Board and to senior management.

- The Company complies with all applicable Secretarial Standards.

MEANS OF COMMUNICATION:

The Company publishes vital information about the Company and its performance, including quarterly results, official news releases and communication to investors and analysts on its website: www.srikalahasthipipes.com regularly for the benefit of all its stakeholders. Relevant disclosures are also made to the Stock Exchanges which are duly disseminated by the Stock Exchanges at their respective websites. During the year, the quarterly, half-yearly and annual results of the Company's performance have been published in leading newspapers, such as Business Line (all editions) and Surya (Tirupati). News releases, official news and media releases are sent to the stock exchanges as and when issued / released.

Website:

The Company's website www.srikalahasthipipes.com contains a separate dedicated section 'Investors' where shareholders information is available. The information such as press releases, notice of Board meeting, outcome of Board meeting, revision in credit rating and the basic information about the Company, as called for in terms of

Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are uploaded on the website. The Company's Annual Report is also uploaded on the website in a user-friendly and downloadable form.

Presentations to Institutional Investors/Analysts:

Presentations are made to institutional investors and financial analysts on the quarterly financial results of the Company. These presentations are also uploaded on the Company's website www.srikalahasthipipes.com and are sent to stock exchanges. The schedule of meetings with institutional investors/ financial analysts are intimated in advance to the stock exchanges and disclosed on the company's website. Further, the investors and analysts are provided with detailed explanations on the financials of the Company by the senior members of Finance team.

Stock Exchanges:

NSE Electronic Application Processing System (NEAPS), the NEAPS and BSE's Listing Centre are web-based applications designed by NSE and BSE respectively to facilitate corporate filings by the listed Companies. All periodical compliance filings like shareholding pattern, Corporate Governance Report, financial results, media releases etc. are filed electronically in the respective web based portals of the exchanges where the shares of the Company are listed.

SHAREHOLDERS

Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Independent Auditor's Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

GENERAL SHAREHOLDERS' INFORMATION:

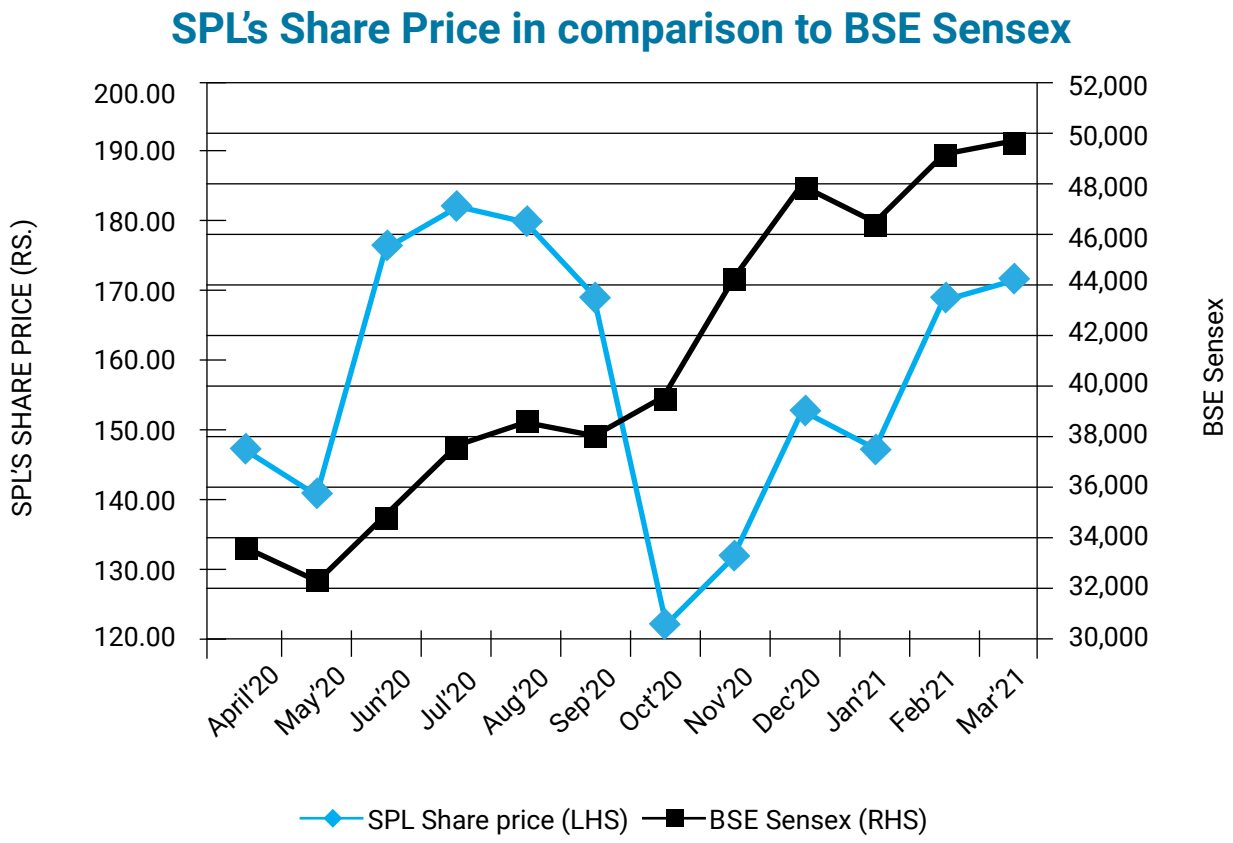
The following information would be useful to our shareholders:

Sl. No	Information	
1	Annual General Meeting	09.08.2021
	- Date and Time	11.30 AM
	- Venue	Through Video Conference
2	Financial Calendar	Tentative Schedule
	Financial Reporting for the Quarter ended June 30, 2021	End July, 2021.
	Financial Reporting for the Quarter ended September 30, 2021	End October, 2021.
	Financial Reporting for the Quarter ended December 31, 2021	End January, 2022.
	Financial Reporting for the Quarter ended March 31, 2022	End April, 2022.
	Annual General Meeting for the year ending March 31, 2022.	End August, 2022.
3	Book Closure Date (Both days inclusive)	03.08.2021 to 09.08.2021
4	Dividend payment date	The Dividend for the financial year ended 31.03.2021, if any, declared at the aforesaid ensuing Annual General Meeting will be paid to the shareholders within 30 days from the date of declaration.
5	Listing Details:	
	- Equity Shares	Listed at BSE Limited & National Stock Exchange of India Ltd. (NSE)
	Payment of Listing Fees	Annual Listing Fees have been paid to BSE and NSE within timelines.
6	Stock Code/Symbol (BSE & NSE)	513605 & SRIPIPES
7	Demat ISIN Number for NSDL & CDSL	
	- Equity Shares	INE943C01027
8	Corporate Identity Number	L74999AP1991PLC013391

Stock Market Data:

Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
Apr-20	147.70	112.20	144535	148.05	111.30	1685874
May-20	141.75	126.50	55081	141.45	126.50	711319
Jun-20	193.65	148.35	239129	193.70	148.05	3608338
Jul-20	218.45	174.35	328193	218.85	174.45	3709340
Aug-20	198.15	175.75	326464	198.55	175.60	4445220
Sep-20	185.65	159.05	202797	185.80	158.30	2459097
Oct-20	162.75	111.40	1002949	162.50	111.45	8456499
Nov-20	132.25	116.55	284463	132.20	116.75	3087059
Dec-20	152.90	131.50	456496	152.80	131.20	5813820
Jan-21	158.00	141.25	226754	158.05	141.70	2523086
Feb-21	170.05	149.80	233967	170.25	149.95	3195780
Mar-21	181.05	168.30	191360	180.90	168.15	2287966

Share Price Performance of Srikalahasthi Pipes Ltd in comparison to BSE Sensex



Registrar & Share Transfer Agents:

Cameo Corporate Services Limited, #1, Club House Road, Chennai 600 002 Ph: 044-40020718 (Direct) / 28460390 (Gen), Website : www.cameoindia.com

Share Transfer System:

Effective 1 April 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form. The Company had sent necessary intimations to its shareholders regarding the restriction on transfer of securities in the physical form. The Company obtains from a Practising Company Secretary half-yearly certificates, as required under Regulation 40(9) of Listing Regulations, 2015 and also files a copy of said certificate with Stock Exchanges as stipulated in the said regulation.

Dividend History for the last 5 years is as under:

Financial Year	Dividend Rate (%)	Amount including Dividend Distribution Tax (Rs. Lakhs)
2015-16	50	2392.90
2016-17	60	2874.33
2017-18	60	3393.26
2018-19	60	3395.07
2019-20	70	3012.14 (*)

(*) DDT not applicable, as dividend is taxable in the hands of shareholders.

Distribution of Shareholding as on March 31, 2021:

Sl No.	Category of Shares held From	To	Number of Shareholders	% of Shareholders	Total No. of Shares held	% of Shares held
1	1	5000	32702	91.62	2996776	6.42
2	5001	10000	1483	4.15	1195354	2.56
3	10001	20000	738	2.07	1139714	2.44
4	20001	30000	245	0.69	631847	1.35
5	30001	40000	136	0.38	496790	1.06
6	40001	50000	84	0.24	394406	0.84
7	50001	100000	163	0.46	1207931	2.59
8	100001	And above	139	0.39	38635589	82.74
		Total	**35690**	**100.00**	**46698407**	**100.00**

Categories of Shareholding as on 31st March, 2021 :

Sl. No.	Category	No. of shares held	Percentage of shareholding
A.	**PROMOTERS HOLDING**		
1	**Promoters**		
	a) Indian Promoters		
	i) Electrosteel Castings Limited	19301218	41.33
	ii) Others (Promoter's Group Companies)	3182295	6.82
	b) Foreign Promoters	-	-
2	**Any other**	-	-
	Sub-Total	**22483513**	**48.15**
B.	**NON-PROMOTERS HOLDING**		
3	**Institutional Investors**		
	a) Mutual Funds	1964377	4.21
	b) Banks, Financial Institutions, Insurance Companies (Central / State Gov. Institutions / Non-government Institutions)	243750	0.52
	c) FIIs/FPIs	8337991	17.85
	Sub-Total	**10546118**	**22.58**
4	**Others**		
	a) Private Corporate Bodies	1708608	3.66
	b) Indian Public	10454905	22.39
	c) NRIs	471968	1.01
	d) Any other (Clearing Members, NBFCs, Trusts, AIFs)	845590	1.81
	e) IEPF	187705	0.40
	Sub-Total	**13668776**	**29.27**
	GRAND TOTAL	**46698407**	**100.00**

Dematerialization of Shares and Liquidity:

Since the Company has entered into an agreement with both the depositories namely NSDL and CDSL for dematerialization of its Shares, the Shareholders of the Company have the choice to dematerialize their shares and keep them in dematerialized form with any depository participant. About 99.12% of total equity share capital is held in dematerialized form with NSDL & CDSL as on 31st March, 2021.

Outstanding convertible Instruments:

As on 31.3.2021, there are no outstanding convertible instruments.

Registered Office & Works:

Rachagunneri -517641, Srikalahasthi Mandal, Chittoor District, A.P., India., Ph. No: 08578-286650 – 655 (6Lines)

Address for Correspondence:

Members can contact us at our Registered Office as per the details given above.

Status of Non-Mandatory requirements:

i) Audit Qualifications:

There are no qualifications or adverse remarks in the Auditor's Report which require any clarification / explanation. The notes to accounts forming part of the financial statements are self explanatory and need no further explanation.

ii) Other Items:

The non-mandatory requirements viz., Shareholders' Rights and other matters as mentioned in the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be implemented by the Company when required and/or deemed necessary by the Board.

Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified Practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

For and on behalf of the Board of Directors

R.K. Khanna
Chairman
(DIN:05180042)

Date: 04.05.2021

Declaration by the Managing Director as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Srikalahasthi Pipes Limited

This is to certify that:

1) In pursuance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Code of Conduct has been laid down by the Company for all the Board Members and the Senior Management Personnel of the Company.

2) The said Code of Conduct is also uploaded on the website of the Company at www.srikalahasthipipes.com.

3) All Board Members and Senior Management Personnel have affirmed having complied with the said Code of Conduct, during the year ended 31st March, 2021.

For Srikalahasthi Pipes Limited

-Sd-
Mayank Kejriwal
Managing Director

Place: Kolkata
Date: 4th May, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
SRIKALAHASTHI PIPES LIMITED
Rachgunneri Village, Srikalahasthi Mandal,
Chittoor Dist. Andhra Pradesh – 517641.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Srikalahasthi Pipes Limited having CIN L74999AP1991PLC013391 and having registered office at Rachgunneri Village, Srikalahasthi Mandal, Chittoor Dist. Andhra Pradesh - 517641 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl.No.	Name of Directors	Designation	DIN	Date of appointment in Company
1	Mr Mayank Kejriwal	Executive Director-Managing Director	00065980	30/04/2007
2	Mr Gouri Shankar Rathi	Executive Director-Whole-time Director	00083992	08/06/2005
3	Mr Ashutosh Agarwal	Non-executive Director- Non-independent Director	00115092	30/07/2018
4	Mr Venkatesan	Non-executive Director- Independent Director	00124050	31/01/2019
5	Mrs Priya Manjari Todi	Non-executive Director- Non-independent Director	01863690	31/01/2018
6	Mr Rajkumar Khanna	Non-executive Director-Independent Director	05180042	09/02/2013
7	Mrs Mohua Banerjee	Non-executive Director- Independent Director	08350348	16/11/2020
8	Mr Satyanarayana Mavireddy	Non-executive Director- Nominee Director	08604390	03/02/2020

Ensuring the eligibility 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.

Date: 29.04.2021
Place: Hyderabad

S. CHIDAMBARAM
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN: F003935C000207963

Certificate on Compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Srikalahasthi Pipes Limited

I have examined the compliance of conditions of corporate governance by Srikalahasthi Pipes Limited (The Company) for the financial year ended March 31, 2021, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 1, 2020 to March 31, 2021.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of corporate governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I 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.

S. CHIDAMBARAM
Practicing Company Secretary
C.P. No. 2286
UDIN NO: F003935C000207985

Date: 29.04.2021
Place: Hyderabad

Management Discussion and Analysis

Annexure II to Directors' Report

SPL - OVERVIEW :

Srikalahasthi Pipes Limited – SPL is one of the leading manufacturers of Ductile Iron Pipes (DI Pipes) having the manufacturing facility in Rachagunneri village on Tirupati – Srikalahasthi Road, Srikalahasthi Mandal, Chittoor Dist. Andhra Pradesh. The integrated facility comprises of Backward and Forward integration units in a centralized complex spread over 350 acres. The Company's D.I. pipes are supplied to various Water Boards, Municipal Corporations, Irrigation Departments, Railways and Turnkey Contractors across the country for their Water Infrastructure Projects which are the thrust area of the Government of India. The Company also manufactures Low Ash Metallurgical Coke, Pig Iron, Ferro Silicon and Cement and all these products are used for captive consumption and surplus is sold in the market. The Company operates predominantly in a single reportable segment viz., Ductile Iron Pipes.

By virtue of core business of manufacture and supply of DI Pipes for the Water Infrastructure Projects across the country, the Company is categorized as **Public Utility Services Industry engaged in Water Infrastructure Development in the Country.**

Operational Performance:

Product	Production (MT)		Sales (MT)	
	2020-21	2019-20	2020-21	2019-20
Molten Metal/Pig Iron @	2,58,978	2,99,477	2,59,925	2,98,326
D.I.Pipes	2,37,156	2,93,491	2,46,973	2,85,848
Lam Coke #	1,68,499	1,67,240	1,78,375	1,75,101
Cement $	81,788	60,654	82,554	60,719
Power (Lakh Units)^	817	902	817	902

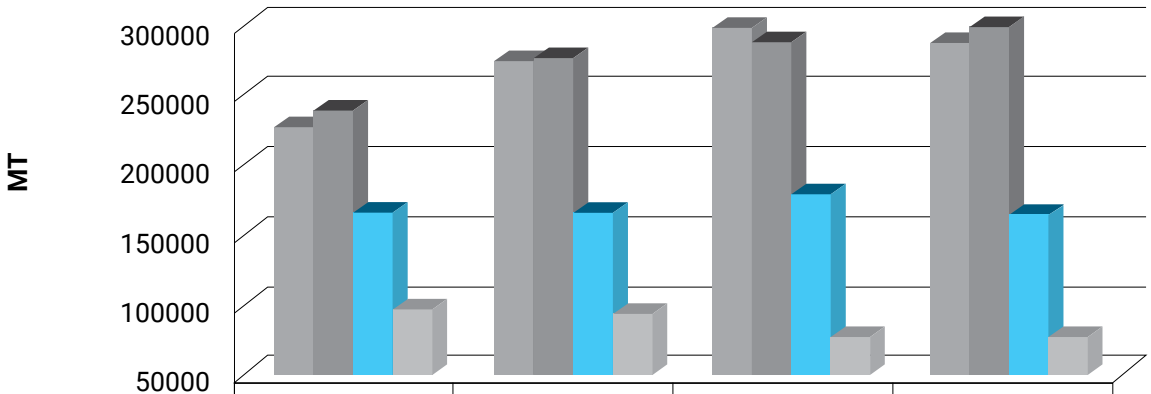
@ Sales include 2,37,181 MT (Previous year 2,89,705 MT) used for captive consumption.

Sales include 1,25,933 MT (Previous year 1,43,456 MT) used for captive consumption.

$ Sales include 29,713 MT (Previous year 35,802 MT) used for captive consumption.

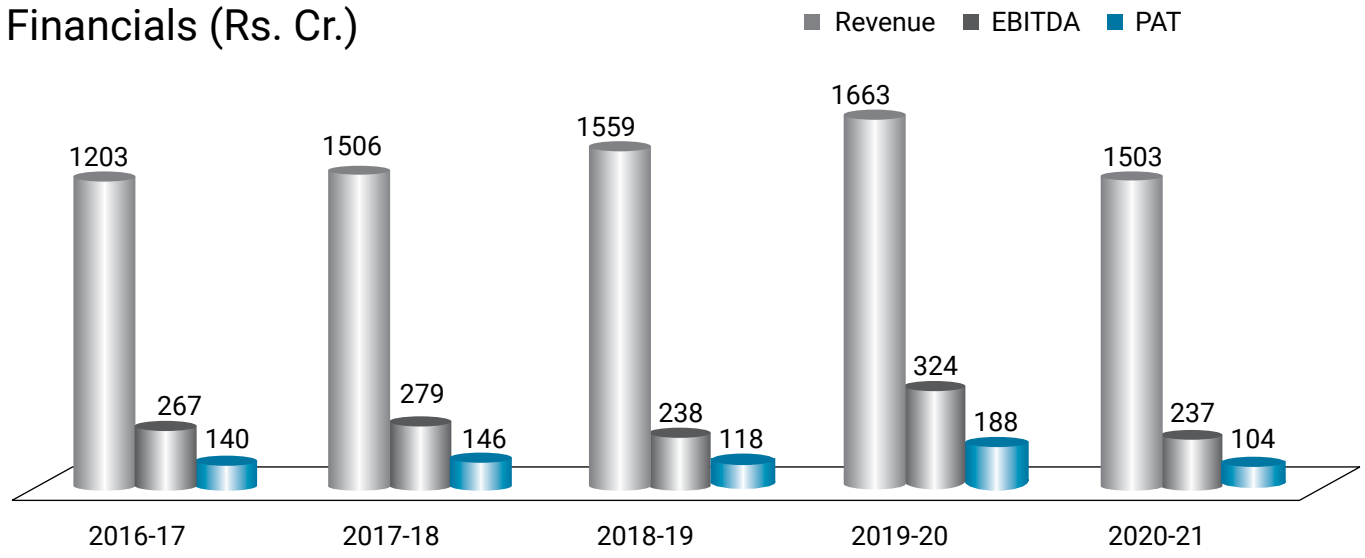
^ Captive Consumption.

Production Performance 2017-18 – 2020-2021



	2017-18	2018-19	2019-20	2020-21
DI Pipes	275047	298514	293491	237156
Molten Metal/ Pig Iron	276501	288215	299477	258978
Lam coke	166003	179586	167240	168499
Cement	93699	77394	60654	81788

Financial Performance :



Details of Sales Mix: Rs. In Crores.

Revenue from sale of product	2020-21	2019-20
Ductile Iron Pipes	1127.15	1395.60
Pig Iron	56.00	20.60
Cement	18.51	8.31
Ferro Silicon	43.70	4.35
Coke	120.98	75.97
Other products	136.23	158.06

Details of Key Financial Ratios:

Operating Profit Margin witnessed a decline from 19.47% in the FY 2019-20 to 15.78% in the FY 2020--21 and Net Profit Margin decreased from 11.28% in the FY 2019-20 to 6.89% in the FY 2020-21.

Net Worth: Rs. In Crores

	FY 2020-21	FY 2019-20
Share Capital	46.70	46.70
Other Equity	1440.29	1369.45
Net worth	1486.99	1416.15

Total Debts: Rs. In Crores

Debt outstanding as at	31.03.2021	31.03.2020
Term Loans	122.48	118.11
Current Maturities of Long Term Debts	41.40	46.34
Working Capital Loans	89.61	245.49
Total Debts	253.49	409.94

Debt Equity Ratio:

	31.03.2021	31.03.2020
Debt (Rs. Cr)	163.88	164.45
Equity (Rs. Cr)	1486.99	1416.15
Debt: Equity	0.11:1.0	0.12:1.0

Global Economy

Leaving behind the unprecedented health and economic crisis caused by Covid-19 Pandemic, the global economy is beginning to show a subdued recovery. The economy is expected to accelerate in 2021, though with significant variation around the world. The world will benefit from vaccinations, both directly in fewer illnesses and indirectly as lockdowns and fears subside. Prospects have improved over recent months with signs of a rebound in goods trade and industrial production. Global GDP growth is projected to be 5.2-5.6% this year. World output is expected to reach pre-pandemic levels by end-2021.

Indian Economy

India as a country, so far did better than many other countries, to effectively handle the Covid-19 pandemic. India's economy, estimated to contract by 6.9 per cent in 2020 due to the pandemic, is forecast to record a "stronger recovery" in 2021 and achieve considerable growth in current fiscal year as the budget points to a shift towards demand-side stimulus, with an uptick in public investment.

Though, 2nd wave of Covid-19, sweeping India since mid-March, 2021, is a cause of concern, the long-term growth perspective of the Indian economy remains positive due to its young population and corresponding low dependency ratio, healthy savings, and investment rates, increasing globalization in India and integration into the global economy.

According to Economists, the next 10 years could be the most important period in India's economic development, because if everything goes as per estimates, India will be able to reap the fruits of its favorable demography in 2030s and 2040s.

Demand for Potable Water Supply

Water, the basic essential need of life, is likely to pose the greatest challenge on account of an increased demand with population rise and economic development, and shrinking supplies due to over-exploitation and pollution.

The ever growing demand for safe water supply and disposal is fueling an increasing demand for pipes. Government of India is doing everything in their capacity to bridge the gap between the supply and demand for water. Rapidly increasing urbanization across emerging regions has been responsible for the hike in the demand for Water infrastructure.

India is set for a major expansion in water supply and distribution infrastructure with the government planning to spend Rs 3.6 lakh crore in a span of 5 years to provide tap water connections to every household by 2024. With the government's key focus targeted around improving the water infrastructure, water conservation/storage and providing clean drinking water under constructive initiatives like Jal Jeevan Mission, AMRUT, Smart Cities and Har Ghar Jal, India now has realized the criticality of water usage and conservation of available water.

Sewerage Schemes

With increasing urbanization, draining out used water and keeping the cities clean is a matter of increasing concern. Sewerage disposal in many cities and town are not up to the mark and a number of new sewerage schemes are being taken up in many of the towns and cities. Instead of only disposal, there is more emphasis now on treatment and reuse. This is a very healthy trend to conserve the scarce resource.

Demand for Water for Industries

Rapid pace of Industrialization, the backbone of the economic development in India, is bringing in more industries and with more industrialization the demand for Industrial water supply is also growing. Growth is again witnessed in the real estate and service industries which in turn further adding to water demand. A massive push to development of industrial corridors all over India is being given through National Industrial Corridor Development Corporation (NCDC). The few major industrial corridors being taken up in South are Chennai – Bengaluru Industrial Corridor, Vizag – Chennai Industrial Corridor, Hyderabad – Bengaluru Industrial Corridor.

Demand for Water in Irrigation

India has a seasonal pattern of rainfall with 50% of precipitation falling in just 15 days and over 90% of the rivers flow for just four months. With a very limited storage capacity, farming activity in India is mainly sustained by irrigation.

There is fast growing demand from Irrigation sector. This demand is being met with several government initiatives in the form of policies as well as regulations.

Traditionally irrigation in India has been mainly canal based However, to minimize the transmission loss due to percolation and evaporation and to avoid the complication of land acquisition, now there is a growing acceptance of piped irrigation systems in the country. In many states a number of Piped Irrigation Systems are coming up and other states are trying with model schemes, before going in big way. This has created good scope for use of pipes in the irrigation sector in the last few years and the same is expected to grow, as more and more states tastes the benefits of Piped Irrigation System.

Demand for other Developing Sectors

Various River Linking Projects (RLP) being taken up by Government is opening a new area for use of pipes. Under the National Perspective Plan for water resources development, through inter basin transfer of water (River Linking), prepared by the Jal Shakti Ministry, National water development Agency (NWDA), after making Pre-Feasibility Reports has identified 30 links for Feasibility Reports. There are two RLPs taken up for execution- Cauvery-Gundar River Link and Ken Betwa River Link.

River Cleaning Projects being taken up on PAN India basis is also presenting an opportunity for using the pipes. National River Conservation Directorate (NRCD) is responsible for cleansing of identified rivers in India, just like "National Mission for Clean Ganga" is responsible for cleansing Ganga River. There are a total of 351 rivers under NRCD. Few major rivers in South under the scope of NRCD are Godavari, Krishna, Cauvery and Bhavani.

OPPORTUNITIES :

The focus of Governments on Water Supply Schemes, Sewerage Schemes, Industrial Corridors and Irrigation Schemes and new sectors of River Linking and River Cleaning Projects, as described above is creating unprecedented opportunities for pipes market.

In 2021-22, the Ministry of Jal Shakti received an allocation of Rs 69,053 crore which is a 64% annual increase over the actual expenditure in 2019-20. The focus of the increased expenditure is on drinking water, which is in line with the government's agenda to provide functional tap water connections to all households by 2024.

Further, the Economic Survey (2020-21) noted that a strong emphasis on sanitation and drinking water is required to prevent communicable diseases.

Major policy proposal of the Central Government in force are –

(a) The Jal Jeevan Mission (Urban) to enable universal water supply and liquid waste management in urban areas.
(b) The Urban Swachh Bharat Mission 2.0. It will focus on sludge and waste water management.

Due to its merit – high pressure bearing ability, excellent structural strength, easy installation along with long service life, ductile iron pipes remain to be one of the preferred pipe material and are expected to benefit from the impressive demand across sectors in the coming years. With D I Pipes manufacturers in India engaged in propagating use of DIPs for irrigation projects and sewerage schemes by offering improved linings/coating and developing features for special applications, use of DIPs is poised for additional growth.

In view of the above, SPL is enhancing the production capacity of DI pipes which will help the company to grow in all respects, in near future.

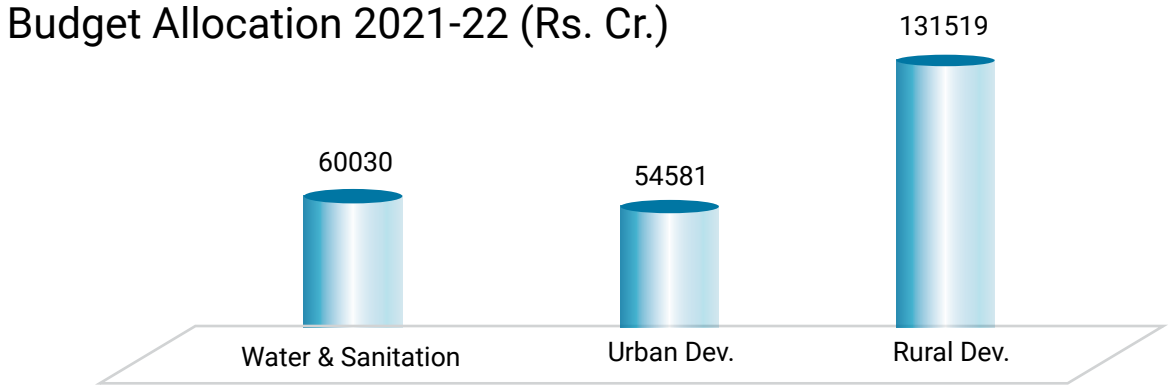
THE THREAT PERCEPTION

Though the 'Jal Jeevan Mission' can bring about considerable growth in the water and waste water sector, consistent funding and persistent monitoring is required to achieve the goal of 'Har ghar Nal se Jal'. Timely allocation of resources, efficient planning and proper project implementation are to be ensured to maintain sustainability of pipe demand.

Another concern is the increasing cost of raw materials as the market price is not escalating at the same pace putting stress over the profitability. Increasingly higher input and overhead cost, expensive pipe transportation/shipping logistics is creating pressure on margins. On the other side, new DI pipe manufacturers are planning for entering into fray in near future, making the DI pipe market more competitive.

However, with more focus on backward integration, cost reduction, exploring alternative markets, overcoming logistic constraints and long term planning for raw materials, the Company is confident of maintaining sustained growth.

Estimated spend towards drinking water and sanitation, Rural and Urban Development Projects & Schemes :



Source: Ministry of drinking water & sanitation, Urban and Rural development.

Raw materials Management:

The Company strongly believes that effective and efficient functioning of the material management has direct bearing on the total performance of the organization. The Company's Material Management function is operated on an integrated basis and is focused on material forecasting, planning, and inventory control. At SPL, efforts to secure raw materials of the right quality at the most competitive price, vendor development, material substitution have been a regular activity of the Procurement function to secure the materials needed for the operations and minimize disruptions to production. Optimal utilization of sinter plant capacity, maintaining economic ratio of lump ore and fines, judicious procurement of bulk raw materials like iron ore / coal at competitive prices have been the focus areas of the Company.

Quality Management System (QMS):

The Company renews its commitment to ensure reliable quality and in turn earns customer satisfaction, through continuous perseverance of its Quality Assurance Policy. In order to accomplish this, the company strives to detect and prevent any non-conformance during production and implement the means to prevent its recurrence. The Company emphasizes on upgrading technology and improving techniques, systems, procedures and to carry out continuous innovation to meet changing customer needs, besides continuously focusing on creating most congenial and healthy working environment for attainment of quality goals with excellence. The plant has well equipped laboratories with latest quality control and testing equipments. The Company has well documented Standard Operating Procedures (SOPs) and process controls for

every stage of operation and the Quality Assurance Team ensures strict adherence to the SOPs to ensure achieving industrial quality benchmarks.

It has been the endeavour of the Company to remain focused on strict adherence to international quality standards and as a mark of quality assurance and our commitment to total customer satisfaction, we are accredited with ISO 9001:2000 certification and the Ductile Iron Pipes manufactured by the Company are Kite Mark licensed as approved by BSI, UK.

Safety, Health & Environment (SHE) :

The Health, Safety and Environment Committee has been constituted, inter alia, to monitor and ensure maintaining the highest standards of environmental, health and safety norms and compliance with applicable pollution and environmental laws at all plants across the Complex and to recommend measures, if any, for improvement in this regard.

The Committee reviews the Health, Safety and Environment Policy of the Company, performance on health, safety and environment matters and the procedures and controls being followed across the plant and compliance with the relevant statutory provisions.

The company has well-established in-house infrastructure, manpower pool, documented standard operating procedure and other administrative machineries to implement the given policies in the area of safe and sustainable production of goods & services of the company. The Safety Department of the Company along with apex management acts as the nodal department to execute and oversee policies pertaining to safe, healthy and environment friendly operations and compliance with sustainability parameters as mandated and desired. The Safety Observation tool launched by the Company has been un-compromisingly implemented across all the units and it is working effectively in improving risk perception of employees and bringing change in behaviour patterns and elimination of unsafe acts since these have been found to be the root causes of majority of unsafe incidents.

It has been the constant endeavour of the Company to develop process that enable energy conservation, solid waste utilization, water conservation and reduce overall harmful impact on the environment. The Company has undertaken various measures to address environmental issues across all the units of the plant. Online continuous emission monitoring and ambient air quality monitoring stations have been installed for monitoring and controlling stack emissions and ambient air quality.

Some of the notable initiatives undertaken during the year are:

- 20 KL Roof top rain water harvesting pit established at DIP gasket godown to recharge rain water into the ground.
- One Online stack emission monitor installed at Ferro Alloy plant.
- 3000 Saplings planted within the plant premises, as part of green belt development.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company is fully engaged in ensuring equitable and sustainable growth of society in and around the area of its operations. The Company's CSR initiatives are based on social, environmental, and economic considerations.
We recognize and embrace our commitment to the communities in which we operate and we believe the private sector plays a vital role in creating a level playing field, driving innovation and building an environment that enhances education and entrepreneurship to foster economic growth. Our social investment strategy is based on our vision to better society and improve people's lives.

INFORMATION TECHNOLOGY (IT):

We strongly believe that Information Technology (IT) is a vital and integral part of our business and it is the best tool that improves the quality and efficiency of our work. The strategic use of information technology can help organizations increase their competitive advantage and make considerable improvements in operating performance.

Your Company continues to believe that with IT, real time information helps the Company to identify the problems and take swift actions to resolve. Alongside the investment in technology, your Company is also improving its service management processes to prevent any defects in the IT environment and to enable faster resolution of any such incidents with minimum business interruption.

During the FY 2020-21, the IT function of the Company has successfully undertaken the following initiatives to further enhance overall organizational efficiency.

- Successful implementation of SAP disaster recovery system in Cloud environment.
- Development of E-Invoicing and TCS programs in SAP in line with changes in statutory requirements.
- Implementation of online Performance Management System through SAP for staff and executives across the Company.
- Development of programme for WBS element wise project cash flow through SAP.

HUMAN RESOURCES MANAGEMENT:

We believe that human resource management system of a company has a significant impact on individual and

organizational effectiveness and brings consistency in human resource management practices and improves human relations in the company. With this object the Company has set up an effective HRMS, which continuously focuses on a strategic objective and works for improving employee knowledge, skills, motivation and opportunities for improved contribution. Based on their overarching goal, human resource management systems contribute to organizational effectiveness in multiple ways.

As part of Company's learning and development initiatives, the exercise of identifying skill sets of employees and career mapping is carried out on a regular basis and job-specific/need based training programmes are conducted across all levels of employees for skill upgradation and career development. The Company has also embarked on developing a Performance Linked Incentive Scheme for all the employees directly involved in the production. The Company also supported development of employees at managerial level with a Key Result Area (KRA) based Performance Management System.

Greater emphasis is given for employee participation for productivity improvement and operational efficiency involving all levels of employees through Kaizens and formation of various Small Group Activities.

RISKS/CONCERNS & MITIGATION:

A prudent risk management framework has been developed and a cautious approach is undertaken to identify and analyse internal and external risks and minimise their impact on operations. The Company's Risk Evaluation Process includes periodic identification of risks that may likely to impact its business, rating of risks based on the intensity of its impact, implementation of risk mitigation plans and regular monitoring of the same.

The major risks and suggested mitigation plans are explained as under.

Raw material Risk :

In view of un-predictability in the price and availability of major raw materials used by the Company, it is open to the risk of volatility in raw material prices.

The rising prices of coal and iron ore may put pressure on the cost of production. The Company continuously monitors the market trend and evaluates the sourcing strategy of coal and iron ore to keep the procurement cost under control. Further, a number of cost control measures are initiated on a continuous basis to reduce consumption through process modifications to minimize the impact of increase in the prices of major raw materials.

Competition Risk:

Intense competition in the domestic DI Pipes industry may have an effect on the profitability of the Company.

To mitigate this risk while the Company seeks to compete on the basis of product differentiation through quality, it manages its costs to ensure it has an edge in pricing over its competitors. Besides, the Company has been regularly focusing on cost reduction measures and optimization of available resources to reduce its cost of production and thereby protect its margins.

Environmental Risk :

By virtue of its manufacturing process, the Company is exposed to the risk of environment pollution.

The company has implemented environmental management systems that have been certified as meeting the requirements of international standard ISO 14001:2015 and these systems provide us with a framework for managing compliance and achieving continuous improvement. Further, it has been the constant endeavour of the Company to emphasize regular focus on sustainable improvement of its Environmental Management System, which reduces the implications of its process on the environment.

Receivables Risk :

Company, by virtue of offering credit to its customers, as a Policy, is open to risk of receivables.

The Company regularly reviews its debtors' position and take appropriate actions for the recovery of receivables. Besides, the strict evaluation process adopted by the Company for assessing credit worthiness of its customers and the strategy of covering majority of supplies through Letters of Credit and Bank Guarantee has minimized the risk of default.

Foreign currency Risk:

By virtue of overseas sourcing of certain raw and essential materials, equipment, it has exposure to US Dollar. The Company is thus vulnerable to risks on account of fluctuations in foreign exchange rates.

To mitigate this risk, the Company's Forex Management Committee frequently reviews its foreign exchange exposure and adopts comprehensive risk management system and hedges its foreign exchange exposure by implementing strategy of selective and systematic hedging of instruments viz. forward contract, options etc,.

Human resources Risk:

The Company being manpower intensive is vulnerable to the threat of human exodus and it is a challenging task to attract and retain skilled and talented pool of employees.

The Company has an effective Human Resource Management Systems in place and it always stays focused on identifying key staff and critical organizational roles, a process that is increasingly being addressed through assessment and recognition. Developing talent management strategies for retaining key employees through effective day-to-day management, employee development and mobility, and compensation management that rewards past performance and incents future contributions is a continuous activity in the organization, which ensures attraction and retention of talent pool.

INTERNAL CONTROLS AND THEIR ADEQUACY:

Your Company has dedicated Internal Audit (IA) Team, which carries out audits of key areas in-house. At the same time, periodic audits are carried out by the Internal Auditors of the Company appointed by the Audit Committee. The Internal Auditors carry out audit as per the scope approved by the Committee. The Audit Committee of the Board oversees the functioning of Internal Audit. The process of procurement, payment, sales and collections, risk management, safe remittance, fraud prevention, internal controls.

All transactions in the company are carried out on SAP S/4 HANA, an ERP based business Application. Proper and adequate system of internal control exists to ensure that all aspects are safeguarded and protected against loss from unauthorized use or disposition and that each transaction is authorized, recorded and reported. The System further ensures that financial and other records are fact-based and reliable for preparing the financial statements. The Company has developed a comprehensive Compliance Management System to ensure timely compliances with different regulations and accounting standards.

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses and compliances with regulations.

OUTLOOK:

The company is having comfortable order book for supply of Ductile Iron pipes. During this Covid-19 situation, safe and hygienic water supply is most important for the Government. Ductile Iron pipe is the safest and most suitable pipe for transportation of water not only in urban cities but also in rural India. The company is hopeful that Central and State Governments will continue to give priority and remain committed in respect of ongoing and future water supply, sewerage and irrigation and other projects in the country. With enhanced production capacity, the company should be able to serve more customers and will command more market share.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates are forward-looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board of Directors

R.K. Khanna
Chairman
(DIN:05180042)

Date: 04.05.2021

Annexure III to Directors' Report

ANNUAL REPORT ON CSR INITIATIVES - FY 2020-21

1. Brief outline on CSR Policy of the Company:

Srikalahasthi Pipes Limited ("SPL") as a responsible corporate citizen recognizes and embraces its commitment to the communities in which it operates and it believes that private sector plays a vital role in creating a level playing field, driving innovation and building an environment that enhances education and entrepreneurship to foster economic growth. Our social investment strategy is based on our vision to help the society run better and improving people's lives. In continuation to its peripheral development initiatives, the Company shall allocate annually 2% of its average net profits, if any, of the three preceding years for Corporate Social responsibility (CSR) activities to be undertaken as approved by its Board. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

SPL's CSR thrust shall be in the field of Livelihood enhancement, Animal welfare, Health Care & Sanitation, Drinking Water, Education, Environmental Sustainability and Rural development projects. It will also undertake programs to promote rural sports and culture, conservation of natural resources, skill development, Entrepreneurship building, and other community need based infrastructure projects / activities as stated in schedule VII of the Companies Act 2013. SPL shall undertake CSR activities directly or indirectly through contributions to the corpus fund of the Charitable Trusts engaged in such activities. The detailed CSR Policy of the Company is available in the website of the Company http://www.srikalahasthipipes.com/static-files/pdf/policies/CSR%20Policy.SPL.pdf.

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	Mr G.S. Rathi	Chairman - Non-Independent, Executive	1	1
2	Mr R.K. Khanna	Member- Independent, Non-Executive	1	1
3	Mrs Priya Manjari Todi	Member - Non-Independent – Non-Executive	1	1

a. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

http://www.srikalahasthipipes.com/static-files/pdf/committees/Com_of_Committees.pdf.

http://www.srikalahasthipipes.com/static-files/pdf/policies/CSR%20Policy.SPL.pdf.

b. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable.

Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Nil

c. Average net profit of the company as per section 135(5) : Rs. 19,319.61 Lakhs

d. (a) Two percent of average net profit of the company as per section 135(5) : 386.39 Lakhs
(b)Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
(c)Amount required to be set off for the financial year if any : Nil
(d)Total CSR obligation for the financial year : Rs.386.39 Lakhs

Annexure III to Directors' Report

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.) : Nil				
	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
3,87,85,246.00	Nil	-	-	-	-

(b) Details of CSR amount spent against **ongoing projects** for the financial year: Refer Annexure A of this Report.

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

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year : Rs.3,87,85,246

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

Sl. No	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section n 135(5)	3,86,39,220
(ii)	Total amount spent for the Financial Year	3,87,85,246
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,46,026
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,46,026

f. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2017-18	0	0	--	0	--	0
2.	2018-19	0	0	--	0	--	0
3.	2019-20	5,03,496	5,03,496	--	0	--	0
	TOTAL	**5,03,496**	**5,03,496**				

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	**Project ID.**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in Rs.)**	**Amount spent on the project in the reporting Financial Year (in Rs)**	**Cumulative amount spent at the end of reporting Financial Year (in Rs.)**	**Status of the project Completed/ Ongoing**
1		Animal Welfare	2019-20	Ongoing	5,03,496	5,03,496	5,03,496	
	TOTAL				**5,03,496**	**5,03,496**	**5,03,496**	

g. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

i. Date of creation or acquisition of the capital asset: 16.07.2020

ii. Amount of CSR spent for creation or acquisition of capital asset : Rs.40,325

iii. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Govt. Hospital, Srikalahasthi.

iv. Details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Split Air Conditioner of 2 MT Capacity.

h. 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/-
S.N. Goswami
Chief Executive Officer

Sd/-
Gouri Shankar Rathi
Chairman CSR Committee

Details of CSR amount spent against ongoing projects during the Financial Year 2020-21

Fig. in INR

1	2	3	4	5	6	7	8	9	10	11
S.No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Locar Area (Yes/No)	Location of the Porject (State/ District)	Project duration	Amount allocated for the project	Amount spent in the FY 2020-21 (Rs.)	Amount transferred to unspent CSR Account for the Project	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
1	Organizing Medical camps in nearby villages and contribution for medical relief/ assistance.	(i) Preventive Health Care and Sanitation	Yes	Andhra Pradesh/ Chittoor	April, 2020 - March, 2021	10,89,422.00	10,89,422.00	0	Yes	-
2	School/College Building Development, Infrastructure facilities, Educational assistance, etc.	(ii) Promoting Education	Yes	Andhra Pradesh/ Chittoor	April, 2020 - March, 2021	2,95,000.00	2,95,000.00	0	Yes	-
3	School/College Building Development, Infrastructure facilities, Educational assistance, etc.	(ii) Promoting Education	No	Tamil Nadu/ Chennai	April, 2020 - March, 2021	2,00,00,000.00	2,00,00,000.00	0	No	Sri Balaji Charitable and Educational Trust
4	Local Village development	(x) Rural Development Project	Yes	Andhra Pradesh/ Chittoor	April, 2020 - March, 2021	2,38,300.00	2,38,300.00	0	Yes	-
5	Development of Temples for protection of heritage and art and organizing local cultural festivals etc,.	(v) Protection of heritage, art and culture	Yes	Andhra Pradesh/ Chittoor	April, 2020 - March, 2021	73,000.00	73,000.00	0	Yes	-
6	Contribution to animal shelters and rehabilitation center.	(iv) Animal Welfare	Yes	Andhra Pradesh/ Chittoor	April, 2020 - March, 2021	19,00,649.00	19,00,649.00	0	Yes	-
7	Contribution to animal shelters and rehabilitation center.	(iv) Animal Welfare	No	Rajasthan/ Bharatpur	April, 2020 - March, 2021	1,25,00,000.00	1,25,00,000.00	0	No	Vraj Kamad Surabhi Van Avam Shodh Sansthan
8	Contribution towards Covid-19 Relief.	(i) Preventive Health Care and Sanitation	Yes	Andhra Pradesh/ Chittoor	April, 2020 - March, 2021	26,88,875.00	26,88,875.00	0	Yes	-
				TOTAL		**3,87,85,246.00**	**3,87,85,246.00**	0		

Annexure – IV to Directors' Report

Disclosure under Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2020-21:

Name of Director	Ratio
Mr R.K.Khanna	5.27
Mr Mayank Kejriwal	256.56
Mr G.S.Rathi	67.92
Mrs S.Hemamalini	0.78
Mr T. Venkatesan	5.06
Mr X.J.J. Abraham	0.96
Mrs Mohua Banerjee	2.62
Mrs Priya Manjari Todi	40.85
Mr Ashutosh Agarwal	4.53

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21:

Name of Director / KMP	Designation	% of increase / decrease
Mr. R.K. Khanna	Non Executive- Independent Director	29.26
Mr. Mayank Kejriwal	Managing Director	-39.50
Mr. G.S. Rathi	Whole-time Director	-8.65
Mrs. S. Hemamalini (a)	Non Executive- Independent Director	-75.82
Mr. T. Venkatesan	Non Executive- Independent Director	42.71
Mr. X.J.J. Abraham (b)	Non Executive- Independent Director	-67.27
Mrs Mohua Banerjee (c)	Non Executive- Independent Director	----
Mrs. Priya Manjari Todi	Non-executive - Non-Independent Director	31.78
Mr. Ashutosh Agarwal	Non-executive - Non-Independent Director	28.93
Mr. S.N. Goswami (d)	Chief Executive Officer	---
Mr. N. Sivalai Senthilnathan	Chief Financial Officer	-7.13
Mr. G. Kodanda Pani	Company Secretary	-12.83

Notes:

(a) Percentage of increase/decrease is not comparable, as she was director for the part of the year during FY 2020-21.
(b) Percentage of increase/decrease is not comparable, as he was director for the part of the year during FY 2020-21.
(c) Appointed as director during the FY 2020-21. Hence percentage of increase is not given.
(d) Appointed as CEO during the FY 2020-21. Hence percentage of increase is not given.

3. The percentage increase in the median remuneration of employees in the financial year 2020-21 was 4.43%.

4. Number of permanent employees on the rolls of company are 1388 as on 31st March, 2021.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :

Annexure – IV to Directors' Report

Average % increase in salaries (median remuneration) of employees, other than managerial personnel in the Financial Year i.e. 2020-21 was around 4.43% and there is a decrease of 35.0 percentage in the managerial remuneration for the said Financial Year. The increase in the remuneration of other than managerial personnel was due to performance based annual increments of the employees and prevailing market trend. The remuneration and profit related commission of managerial personnel is linked to profit as per the provisions of the Companies Act, 2013.

6. The remuneration paid for directors, key managerial personnel and other employees is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

R.K. Khanna
Chairman
(DIN:05180042)

Date: 04.05.2021

Annexure – V to Directors' Report

Information under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules 2014 and forming part of the Directors' Report:

A. CONSERVATION OF ENERGY

The Company continued its efforts to improve energy usage efficiencies. Various key parameters like specific energy consumption, energy cost are continuously tracked to monitor alignment with the Company's overall sustainability approach. The Company has a process to identify and evaluate energy risks and opportunities, taking into account techno-commercial feasibility and other aspects. Accordingly, phased implementation of energy conservation initiatives are carried out and innovative ways and new technologies are constantly explored for energy conservation and cost reduction. Some of the energy conservation initiatives taken during the FY 2020-21 and proposed to be taken are given below.

I. Steps taken or impact on conservation of energy:

1. Total 7000 m2 coal yard flooring completed during the year under review in addition to 3500 m2 in 2019-20 to arrest the ground losses of coal/coke.
2. Installation of power capacitors and conventional lighting has been replaced with LED lights across the complex to improve power factor and energy efficiency.
3. 75KW and 130KW variable frequency drive (VFD) were installed in MBF for ID and CA fan of captive power plant and MBF.
4. 4th Kalugin shaft less stove installed in MBF to optimize the fuel efficiency.
5. Energy efficient furnaces (Inductotherm) installed in place of existing Megatherm (2nd) and GA Danieli (3rd) Induction Furnaces.
6. Installation of new annealing furnace -3 for effective utilization of blast furnace gas.
7. Variable frequency drives (VFD's) were installed for various applications like spinning machine-3 mould drive, Magnesium dedusting blowers, Zinc coating de-dusting blowers and cranes in DIP to facilitate further power reduction

II. Steps taken by the company for utilising alternate sources of energy:

1. Revamping of existing 7.5MW turbine for effective utilization of steam generation from 4th boiler and surplus steam from other three boilers.
2. Installation of new annealing furnace -3 for effective utilization of blast furnace gas.

III. Capital investment on energy conservation equipments :

Rs.15.08 Crores towards installation of new Annealing Furnace.

IV. Additional investments & proposals, if any being implemented for reduction of consumption of energy:

1. Expansion of sewage treatment plant for further ground water conservation.
2. Installation of variable frequency drives (VFD's) for various applications like Spinning machine-1 & 9, FL-4 de-dusting, smaller dia Magnesium de-dusting, converter and cooling pumps.
3. Installation of variable drives(VFD's) for cooling tower fan of spinning Machine, smaller dia machine nd induction furnace.
4. Construction of new quenching tower in COP to minimize the coke burning losses.
5. Installation of Battery V with 26 ovens to enhance coke production and power generation.
6. Installation of 200kw variable drive (VFD) for main cooling water pumps at 12MW CPP.
7. To carry out concreting of additional coal yard in COP to arrest further ground losses of coal/Coke.
8. Additional wells and concrete flooring with drains in between track at pusher and quenching side of COP to optimize the power generation during rainy season.
9. Installation of 90KW variable frequency drives (VFDs) in MBF for the application of MBF CA fan.
10. Installation of power capacitor banks and LED lights in place of conventional lighting across the complex to improve power factor and energy efficiency.

Annexure – V to Directors' Report

V. Benefits derived from the above initiatives (I) and (II):-

Above initiatives resulted in energy conservation and minimization of environmental hazards.

B) Technology absorption-

I. Efforts made towards technology absorption:

Commissioning of additional Annealing Furnace with Chinese technology in DI Pipe Plant, leading to effective utilization of Blast Furnace Gas (A process product) as fuel in place of high cost LDO.

(i) Benefits derived like product improvement, cost reduction, product development or import substitution :

Substitution of fossil fuel, cost reduction in terms of elimination of usage of high cost LDO coupled with effective utilization of green house gasses.

(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):-

(a) the details of technology imported - Nil

(b) the year of import - Not Applicable

(c) whether the technology been fully absorbed – Not Applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof – Not Applicable

(iv) the expenditure incurred on Research and Development – Not Applicable

C. Foreign Exchange earnings and outgo :

(Rs. Crores)

Particulars	2020-21	2019-20
Foreign exchange earning	6.24	9.89
Foreign exchange used	334.66	549.8

For and on behalf of the Board of Directors

R.K. Khanna
Chairman
(DIN:05180042)

Date: 04.05.2021

Annexure VI to Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members,
Srikalahasthi Pipes Limited
Rachgunneri Village, Srikalahasthi Mandal,
Chittoor Dist. - 517641 AP.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Srikalahasthi Pipes Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st March, 2021 according to the provisions of :

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

(ii) The Securities Contracts (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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) 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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

As per the information and explanation given to us there are no specific Acts or regulations applicable to the Company for the type of business carried out during the financial Year ended 31st March 2021.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

Annexure – VI to Directors' Report

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Signature:
S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935C000207897

Place: Hyderabad
Date: 29.04.2021

To
The Members,
Srikalahasthi Pipes Limited, Rachgunneri Village,
Srikalahasthi Mandal, Chittoor Dist. - 517641 AP.

My Secretarial Audit 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 processes 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 processes 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. Where ever 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 procedures 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.

Signature:
S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935C000207897

Place: Hyderabad
Date: 29.04.2021

Annexure - VII to Directors' Report

SRIKALAHASTHI PIPES LIMITED

Business Responsibility Report

About SPL:

Srikalahasthi Pipes Limited – SPL is one of the leading manufacturers of Ductile Iron Pipes (DI Pipes) having the manufacturing facility in Rachagunneri village on Tirupati – Srikalahasthi Road, Srikalahasthi Mandal, Chittoor Dist. Andhra Pradesh. The integrated facility comprises of Backward and Forward integration units in a centralized complex spread over 350 acres. The Company's D.I. pipes are supplied to various Water Boards, Municipal Corporations, Irrigation Departments, Railways and Turnkey Contractors across the country for their Water Infrastructure Projects which are the thrust area of the Govt. of India and most of the State Governments. The Company also manufactures Low Ash Metallurgical Coke, Pig Iron, Ferro Silicon and Cement and all these products are used for captive consumption and surplus is sold in the market. The Company operates predominantly in a single reportable segment viz. Ductile Iron Pipes

By virtue of core business of manufacture and supply of DI Pipes for the Water Infrastructure Projects across the country, the Company is categorized as Public Utility Services Industry engaged in Water Infrastructure Development in the Country.

About Business Responsibility Report

The Securities and Exchange Board of India (SEBI) as per SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendments) Regulations, 2019 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of Company's Annual Report for top 1000 listed entities based on market capitalization at the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, which contains 9 Principles and Core Elements for each of those 9 Principles. Following is the 2nd Business Responsibility Report of the Company which is based on the format suggested by SEBI.

Section A : General Information about the Company

1.	**Corporate Identity Number (CIN) of the Company**	:	L74999AP1991PLC013391
2.	**Name of the Company**	:	Srikalahasthi Pipes Limited
3.	**Registered Address**	:	Rachagunneri – 517641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh.
4.	**Website:**	:	www.srikalahasthipipes.com
5.	**Email id:**	:	companysecretary@srikalahasthipipes.com
6.	**Financial Year reported:**	:	2020-21
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	:	**Sector** / **NIC Code of the product/ service** 1. Tubes and Pipes – 24311 2. Lam Coke – 19101 3. Ferro Alloys – 24104 4. Cement – 23942

Annexure - VII to Directors' Report

8.	**List three key products/services that the Company manufactures/ provides (as in balance sheet)**		- Ductile Iron Pipes - LAM Coke - Ferro Silicon - Cement
9.	**Total number of locations where business activity is undertaken by the Company**		
	i) Number of International Locations:	:	Nil
	ii) Number of National Locations	:	SPL has integrated manufacturing facility in only one Location i.e. Rachagunneri Village, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh SPL's Marketing Regional Offices are situated at Mumbai, Chennai, Bangalore, Hyderabad, Trivandrum
10.	**Markets served by the Company Local/State/ National/ International**	:	SPL's products are sold to both in national and international markets. SPL predominantly serves to domestic market and more particularly to southern and western markets in India.

Section B : Financial Details of the Company

1.	**Paid up Capital (INR)**	:	46.70 Crores
2.	**Total Turnover (INR)**	:	Rs.1503 Crores
3.	**Total profit after taxes (INR)**	:	Rs.104 Crores
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	:	3.74%
5.	**List of activities in which expenditure in 4 above has been incurred:**		• Promoting Education • Animal welfare and protection • Medical Aid • Rural Development

Section C : Other Details

1.	**Does the Company have any Subsidiary Company/Companies?**	:	No
2.	**Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company ? If yes, then indicate the number of such subsidiary Company(s)**	:	NA
3.	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company ? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**	:	No

Annexure - VII to Directors' Report

Section D : BR Information:

1. Details of Director/Directors responsible for implementation of the BR policy/policies

Mr. Gouri Shankar Rathi, Whole-time Director (DIN: 00083992) is responsible for overseeing the implementation of BR Policy and the Strategic Business Heads are responsible for implementing the principles as stated in the Policy.

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S. N.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
		Ethics, transparency & Sustainability, accountability	Sustainability in life-cycle of products	Employee well-being	Stakeholder engagement	Promotion of human rights	Environ-mental protection	Responsible public policy advocacy	Inclusive growth	Customer value
1	Do you have a policy/ policies for	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
2	Has the policy been developed in consultation with relevant Stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3	Does the policy conform to any national/ inter-national standards? If yes, specify.	NA	NA	NA	NA	NA	Yes ISO 14001 (Environment Management System) The policies are in line with the best practices followed in the industry	NA	NA	Yes ISO 9001:2015
4	Has the policy been approved by the Board?	NA	NA	NA	Yes Board of Directors	Yes	NA	NA	Yes Board of Directors	NA
5	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	NA	NA	Yes	Yes	Yes	Yes	NA	Yes	Yes
6	Indicate the link for the policy to be viewed online #	Links provided separately below this table.								

Annexure - VII to Directors' Report

S. N.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
		Ethics, transparency & Sustainability, accountability	Sustainability in life-cycle of products	Employee well-being	Stakeholder engagement	Promotion of human rights	Environ-mental protection	Responsible public policy advocacy	Inclusive growth	Customer value
7	Has the policy been communicated to the relevant internal and external stake-holders?	Yes	NA	Yes	Yes	Yes	Yes	NA	Yes	Yes
8	Does the Com-pany have an in-house structure to implement the policy?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
9	Does the Company have a grievance redressal mech-anism related to the policy/ policies to address stake-holders' grievances relat-ed to the policy /policies?	Yes	NA	Yes	Yes	Yes	Yes	NA	Yes	Yes
10	Has the Compa-ny carried out Independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	NA	Yes	Yes	Yes	Yes	NA	Yes	Yes

Web links of the various Policies of the Company are given below:

CSR Policy: https://www.srikalahasthipipes.com/static-files/pdf/policies/CSR%20Policy.SPL.pdf

Code of Conduct for Director & Sr. Management: https://www.srikalahasthipipes.com/static-files/pdf/code-of-conduct/Code%20of%20Directors.pdf

Code of Conduct for Prevention of Insider Trading : https://www.srikalahasthipipes.com/static-files/pdf/code-of-conduct-for-insiders/code-of-conduct-insiders.pdf

Environmental Policy : https://www.srikalahasthipipes.com/static-files/pdf/policies/Annexure%20-%203%20-%20EMS%20Policy.pdf

Safety Policy: https://www.srikalahasthipipes.com/static-files/pdf/policies/Annexure%20-%204%20-%20OHS%20Policy.pdf

Quality Policy: https://www.srikalahasthipipes.com/static-files/pdf/policies/Annexure%20-%202%20-%20QMS%20Policy.pdf

Annexure - VII to Directors' Report

2A If answer to S. No. 1 against any principle is 'No', please explain why :
(Tick upto 2 options)

S.No.	Question	Principle 7 : Responsible public policy advocacy
1.	The Company has not understood the Principles	
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	
3.	The company does not have financial or manpower resources available for the task	
4.	It is planned to be done within next 6 months	
5.	It is planned to be done within the next 1 year	
6.	Any other reason (please specify)	SPL is a member of Confederation of Indian Industry, AP Chambers of Commerce and Industry and other industrial and trade bodies. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be a part of the broader policy development process through making representations to different Forums of Industry & Commerce, giving our comments and seeking their intervention on the proposed amendments in the relevant legislations and being a part of discussions with the representatives of the relevant authorities in open forums. Hence, we do not feel such a policy is necessary for us.

3.Governance related to Business Responsibility Report:

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:** The Board of Directors of the Company, annually assess the BR Performance of the Company.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** – The Company has published its first Business Responsibility Report in the FY 2019-20, which forms part of the Annual Report of that financial year. The BR Report is available on the Company's website www.srikalahasthipipes.com.

Section E : Principle-wise performance:

Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   Working with integrity and fairness in organisational and business dealings is of utmost importance to all in SPL. As a responsible organization, SPL does its business with utmost integrity. We have the following policies in place which form the foundation of our Company's commitment towards ethical conduct at all levels:

   Code of Conduct : SPL has its Code of Conduct which is applicable to all the employees of the Company including its directors. This Code does not extend to the suppliers/contractors/NGOs etc. It is a must for every employee in all of the business units/subsidiaries to follow the values enshrined in the Code of Conduct in their day to day activities. All employees have to read and understand this Code and abide by it.

   Whistle-Blower Policy : This Policy is applicable to the Directors of the Company or a person who is in direct or indirect employment with the company who makes a protected disclosure under this policy. This Policy provides a platform to these stakeholders for making any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the company and had provisions to ensure protection of the whistleblower against victimization for the disclosures made by him/her.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management?**

   During the reporting period, no complaint was received under the provisions of Whistle Blower Policy.

Annexure - VII to Directors' Report

Principle 2 :

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

a) DI pipes are manufactured and supplied for transporting and supply safe drinking water to the society.The joint is designed to have flexibility and leak proof. The material used for coating and rubber gaskets are tested by WRAS - UK for fitness comparability with potable water .

b) DI pipes internally lined with High Alumina Cement which prevent sulphate attack while handling sewage water and industrial effluent. Thus ensure no leach of medium and contaminate the land.

c) DI pipe is non hazardous product which is recyclable and re-usable after its service life in the metal industries.

2. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the company has procedures in place to evaluate sustainability of suppliers which are reviewed periodically. The raw and other essential materials purchased are stringently specified and no compromise is permissible on specifications.

3. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company sources packing materials, river sand and has awarded contracts like canteen, employee transport, housekeeping and other repairs and maintenance through local sources. As we deal in bulk raw materials, consumables and spares, our purchases are mostly from organised sector. However, we do buy some engineering items from small producers and we help them improve their product quality by improving their engineering skills. We also hire contractors from the areas neighbouring our plant and improve their capability by imparting training in various fields like safety, hazard handling, compliances etc.

4. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

Yes. The details of quantum of recycling of by-products and wastes are given below.

A: By products

1) 50% of Blast furnace slag is being recycled to produce Portland slag cement in cement plant.

2) 100% Blast furnace gas is used as fuel in place of oil in Annealing Furnace and also for power generation.

3) 100% waste heat from coke oven is used for power generation.

B: Wastes

1) 100% Iron ore fines recycled in Sinter plant to produce sinter.

2) 100% Blast furnace flue dust is recycled in Sinter plant.

3) 100% Magnesium oxide powder recycled in Sinter plant.

4) 100% Pipe and Runner scrap are reused for pipe making in DI Pipes Plant.

5) 5% Cement slurry is reused for in-house brick making.

6) 50% waste oil/used oil are reused in Coke oven Plant.

Principle 3

1. **Please indicate the total number employees.**

   Permanent employees - 1388

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**

   Temporary/contractual/casual basis - 2500

3. **Please indicate the number of permanent women employees** - 06

4. **Please indicate the number of permanent employees with disabilities** - Nil

5. **Do you have an employee association that is recognized by Management?**

   Yes. There are two Workmen Unions recognized by the Management.

6. **What percentage of your permanent employees is Members of this recognized employee association?**

   About 60 – 70% of the workmen are members in both the unions put together.

Annexure - VII to Directors' Report

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

S.No.	Category	No. of complaints filed during the Financial Year	No. of complaints pending as at end of the Financial Year
1.	Child labour/forced labour/involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

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

a.	Permanent Employees	Safety – 100%, Skill up gradation training – 75%
b.	Permanent Women Employees	Safety – 100%, Skill up gradation training – 78%
c.	Casual/Temporary/Contractual Employees	Safety – 100%, Skill up gradation training - 75%
d.	Employees with Disabilities	NA

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its internal and external stakeholders. We recognise employees, communities surrounding our operations, business associates (network of suppliers and dealers), customers, shareholders, lenders, bankers and regulatory authorities as our key stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes, the Company has identified disadvantaged, vulnerable & marginalized stakeholders from the local community and has also engaged them for their socio-economic development through various CSR and Affirmative Action interventions. Local communities have been engaged under the CSR framework to work on good quality teaching-learning opportunities, skill development and livelihood initiatives.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, the Company, in partnership with the communities, has taken many initiatives under Affirmative Action and CSR focused upon Education, Skill and Livelihood development of the local community. In addition, recruitment of the equally qualified people from the local community is also encouraged. To minimize the Business' environmental impact on the community, greenbelt is being developed by the Company in and around its facilities and also surrounding villages are being encouraged to develop greenery by providing them with saplings.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures /Suppliers / Contractors /NGOs/Others?

The Company has the Code of Conduct and Whistleblower Policy which covers issues related to human rights. We do not deal with any supplier/ contractor if they are in violation of human rights and we do not employ any person below the age of eighteen. We also prohibit the use of forced or compulsory labour at all our units and discourage the same with our business associates.

The said policies discourage violation of Company's business ethics and values and provide a fair and transparent mechanism for reporting any such violation. This policy also provides direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The system is designed to ensure confidentiality and protect the complainant from being victimized. False allegations are also dealt with disciplinary action in accordance with the Policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received pertaining to human rights violation during the past financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/Suppliers/

Annexure - VII to Directors' Report

Contractors / NGOs/others.

The Safety, health and environment policy of the company covers all its Business verticals and it applies to the contractors working for the company by way of incorporating the safety health and environment compliances in the agreement and in certain cases cover the interest of transporters, contractors etc,.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the company is complying with the guidelines/norms notified by Central and State Pollution Control Boards. Power is being sourced from own Captive Power Plants based on waste heat recovery boilers (14.5 MW capacity), leading to reduction of carbon foot prints of our operations, thereby significantly reducing the Company's dependence on grid power.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, The company has a well defined on site and off site emergency plans in place for dealing with any environmental risks, which is audited and inspected periodically by appropriate agencies. The Company is certified in ISO 14001:2015 (environmental management Systems). Under this standard, we have identified & assessed environmental aspect & its impact for all the major activities being performed at the site. We also conduct Environmental impact assessment (EIA) from time to time.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

In the past, the company had an approved CDM project Carbon Emission Reduction. This helped in reduction of carbon emissions . But even after the CDM project got over, the company has not allowed emission of Coke Oven Plant.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, apart from sourcing of energy through waste gases, the company has taken initiative in converting most of its lighting to energy efficient LED lights, usage of energy efficient motors, transformers etc. for various drives. The company also recycles its process waste and convert the same into cement bricks and the slag generated from the Blast Furnace is used in making slag cement. The Company uses primarily treated sewerage water of Tirupati Municipal Corporation for its various industrial process applications after further treatment, thereby conserving the use of ground water, thus protecting water belt.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the company complies with all the Central Pollution Control Board /State Pollution Control Board norms of emission and waste generation.

7. No. of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

The Company has not received any show cause/legal notices either from CPCB/SPCB during the FY 2020-21.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Confederation of Indian Industry.

Ductile Iron Pipe Manufacturers Association.

AP Ferro Alloys Producers' Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No;

No

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, for the inclusive growth and equitable development of the local community, based upon the need assessment, the Company under CSR, has taken initiatives focused upon Education, Vocational Skill, and Rural Development.

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

Annexure - VII to Directors' Report

Programmes pertaining to Principle 8 are developed and executed partly through in-house team and partly through external agencies.

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

Yes.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

For FY 2020-21, the Company's CSR obligation was Rs. 3.86 crores and the CSR spend was Rs.3.88 crores on initiatives pertaining to promotion of education, rural development, animal welfare and medical aid.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes. As based upon the need assessment, the Company undertakes all its CSR interventions in partnership with the local community, therefore, the community not only actively engage and partner with but also take the ownership of the projects from its planning, implementation and post implementation sustainability of the social assets created.

Principle 9:

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

There were two customer complaints received during the FY 2020-21 and both have been resolved to the satisfaction of the customers. There were no complaints/consumer cases pending at the end of the year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

NA

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Customer satisfaction is regularly monitored based on "Customer feedback" provided periodically by the customers.

If this is being presented as an Annexure to the Board's Report, then the same shall be signed in accordance with Section 134(6) of the Companies Act, 2013.

For and on behalf of the Board of Directors

R.K. Khanna
Chairman
(DIN:05180042)

Date: 04.05.2021

INDEPENDENT AUDITORS' REPORT

To the Members of Srikalahasthi Pipes Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of Srikalahasthi Pipes Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matter described below to be the Key Audit Matters for incorporation in our Report.

Key Audit Matter	Addressing the key audit matter
Verification of Inventory and Valuation thereof	
The total inventory of the Company amounting to Rs. 30,571.11 lakhs (as on March 31, 2021) forms about 13.17% of the total assets of the Company. This includes bulk materials such as coal, coke, iron ore etc, which are susceptible to handling loss, moisture loss/gain, spillage etc. and determination of the same requires estimation based on experience and technical expertise.	Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of determination of year-end inventory and valuation thereof include the following: • The company has procedure of physical verification of inventories at regular interval by an independent professional; • We have reviewed the credentials, technical and other expertise of the professional firms deployed for carrying out the verification; • We reviewed the report submitted by external agency and obtained reasons/explanation for variations observed by them with respect to book stock. Materiality for variations, discrepancies after considering the reasonable allowance for volumetric

	measurement were duly adjusted; and • We examined the valuation process/methodology and checks being performed at multiple levels to ensure that the valuation is consistent with and as per the policy followed in this respect.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report, Corporate Governance, Business Responsibility Report but does not include the financial statements and our auditors' report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, 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), and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and

f) Regarding adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements.

3. 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, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 40 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note no. 39(d) to the financial statements; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

4. With respect to the other matters to be included in the Auditors' 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 (including sitting fees) paid by the Company to its Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No.:301051E

R. P. Singh
Partner
Membership No: 052438
UDIN: 21052438AAAABG1146

Place: Kolkata
Date: May 04, 2021

ANNEXURE "A" TO THE AUDITORS' REPORT OF EVEN DATE:

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.

b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verifications.

c. According to the information and explanations given to us, the records examined by us and confirmation/representation received from charge holders, we report that, the title deeds, comprising all the immovable properties of land and building which are freehold, are held in the name of the Company.

ii) As informed, the inventories of the Company except for materials in transit have been physically verified at reasonable intervals by the management during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable. As the Company's inventory of raw materials comprises mostly of bulk materials such as coal, coke, iron ore, etc. requiring technical expertise for quantification, the Company has hired an independent agency for the physical verification of the stock of these materials. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of the account.

iii) The Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided any guarantees/securities to parties covered under Section 185 and 186 of the Act. Accordingly, clause 3 (iv) of the Order is not applicable to the Company.

v) The Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2021 from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder and therefore the provisions of clause 3(v) of the Order is not applicable to the company

vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii) a. According to the information and explanations given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Goods and Service Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues as applicable to it.

b. According to the information and explanations given to us, the details of disputed dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax, and Cess, if any, as at March 31, 2021, are as follows:

viii) In our opinion and on the basis of information and

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act' 1944	Service Tax	350.68	2006-2007 to 2015-2016	Commissioner (Appeals)
The Central Excise Act' 1944	Excise Duty	3.76 8.25	2015-2016 2007-2008	Commissioner (Appeals)
Central Goods and Services Tax Act, 2017	CGST	35.97	Transitional Credit	Commissioner (Appeals)
Central Sales Tax	Sales Tax	151.60	2000-2001 2010-2011	High Court
		2.75	2012-2013	Appellate Deputy Commissioner
		399.23	2003-2004 2004-2005 2005-2006	Sales Tax Appellate Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	440.98	2013-2014 2014-2015	Appellate Deputy Commissioner
		393.91	1999-2000 2000-2001 2003-2004	Sales Tax Appellate Tribunal
		10.59	2004-2005	High Court
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	-	2012-2013 2014-2015	Appellate Deputy Commissioner
		58.14	2005-2006 2007-2008 2011-2012 2013-2014	Sales Tax Appellate Tribunal
Andhra Pradesh Tax on Entry of Goods into Local Area Act 2001	Entry Tax	257.12	2014-2015 to 2017-2018	Appellate Deputy Commissioner

explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.

ix) In our opinion and according to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year and therefore clause 3(ix) of the Order is not applicable to the Company.

x) During the course of our examination of books of account carried out during the year in accordance with generally accepted auditing practices in India, we have neither come across incidence of any material fraud by the company or on the company by its officer or employees nor have we been informed of any such case by the management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) The Company is not a Nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.

xv) According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No.:301051E

R. P. Singh
Partner
Membership No: 052438
UDIN: 21052438AAAABG1146

Place: Kolkata
Date: May 04, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls with reference to financial statements of Srikalahasthi Pipes Limited ("the Company") as at March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No.:301051E

R. P. Singh
Partner
Membership No: 052438
UDIN: 21052438AAAABG1146

Place: Kolkata
Date: May 04, 2021

BALANCE SHEET AS AT MARCH 31, 2021

Rs. in Lakhs

Particulars	Note No.	31st March 2021	31st March 2020
ASSETS			
1 Non-Current Assets			
a. Property, Plant and Equipment	5	92,579.77	92,659.23
b. Capital Work-In-Progress	43	17,237.12	4,037.04
c. Other Intangible Assets	6	32.43	51.39
d. Financial Assets			
(i) Loans	7	1,105.01	1,043.49
(ii) Other Financial Assets	8	33.53	13.53
e. Other Non Current Assets	9	200.95	652.86
f. Non Current Tax Assets	10	637.57	567.71
Total Non-Current Assets		**1,11,826.38**	**99,025.25**
2 Current Assets			
a. Inventories	11	30,571.07	33,283.87
b. Financial Assets			
(i) Investments	12	15,660.59	-
(ii) Trade Receivables	13	22,580.67	54,172.63
(iii) Cash and Cash Equivalents	14	11,582.52	804.13
(iv) Bank Balances Other than (iii) above	15	24,699.00	35,496.04
(v) Loans	16	1,938.38	4,888.31
(vi) Other Financial Assets	17	2,318.88	3,057.17
c. Other Current Assets	18	11,007.36	7,163.56
Total Current Assets		**1,20,358.47**	**1,38,865.71**
Total Assets		**2,32,184.85**	**2,37,890.96**
EQUITY AND LIABILITIES			
1 Equity			
a. Equity Share Capital	19	4,669.84	4,669.84
b. Other Equity	20	1,44,029.52	1,36,945.09
Total Equity		**1,48,699.36**	**1,41,614.93**
2 Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	21	12,247.87	11,810.72
(ii) Lease Liabilities	48	1,952.60	1,948.91
b. Provisions	22	835.57	768.84
c. Deferred Tax Liabilities (Net)	23	13,678.45	13,271.43
d. Other Non Current Liabilities			
(i) Deferred Income	27.1	371.80	397.44
Total Non-Current Liabilities		**29,086.29**	**28,197.34**
Current Liabilities			
a . Financial Liabilities			
(i) Borrowings	24	11,765.04	37,121.43
(ii) Operational Buyer's Credit/Supplier's Credit	52	18,035.34	8,269.32
(iii) Trade Payables	25		
Total Outstanding dues to Micro Enterprises and Small Enterprises		2,554.79	44.86
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises		8,475.15	12,691.01
(iv) Other Financial Liabilities	26	7,695.45	5,394.78
b. Other Current Liabilities	27	4,917.56	3,776.45
c. Provisions	22	558.97	598.85
d. Current Tax Liabilities (Net)	28	396.90	181.99
Total Current Liabilities		**54,399.20**	**68,078.69**
Total Liabilities		**83,485.49**	**96,276.03**
Total Equity and Liabilities		**2,32,184.85**	**2,37,890.96**

Significant Accounting Policies and other accompanying Notes (1-54) form an integral part of the Financial Statements

As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

R. P. Singh
Partner
Membership No. 052438

Place: Chennai,
Date: May 04, 2021

For and on behalf of the Board of Directors

R. K. Khanna
Chairman
DIN: 05180042

G. S. Rathi
Whole Time Director
DIN: 00083992

S N Goswami
Chief Executive Officer

N. Sivalai Senthilnathan
Chief Financial Officer

G. Kodanda Pani
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Lakhs

Particulars		Note No.	31st March 2021	31st March 2020
I	Revenue from operations	29	1,50,258.53	1,66,290.16
II	Other Income	30	5,633.71	6,369.32
III	**Total Income**		**1,55,892.24**	**1,72,659.48**
IV	**EXPENSES**			
	Cost of materials consumed	31	72,938.45	82,720.34
	Purchase of Stock-in-Trade	32	3,632.53	6,493.91
	Changes in inventories of finished goods, Stock-in-Trade and work-in progress	33	3,293.70	(3,673.64)
	Employee Benefits Expense	34	8,347.37	8,724.17
	Finance costs	35	4,555.96	4,620.06
	Depreciation and Amortisation Expense	36	4,624.24	4,116.70
	Other Expenses	37	43,957.80	46,005.77
	Total expenses		**1,41,350.05**	**1,49,007.31**
V	**Profit before tax (III-IV)**		**14,542.19**	**23,652.17**
VI	**Tax expense:**	38		
	(1) Current tax		3,765.94	5,926.65
	(2) Deferred tax	23	411.02	(1,042.11)
	Total tax expense		**4,176.96**	**4,884.54**
VII	**Profit for the Year (V - VI)**		**10,365.23**	**18,767.63**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit plans	44(b)	(15.91)	(18.63)
	Income tax relating to items that will not be reclassified to Profit and Loss	38.1	4.00	4.69
	Other Comprehensive Income for the year (net of tax)		**(11.91)**	**(13.94)**
	Total Comprehensive Income for the year (comprising of Profit/(Loss) and Other Comprehensive Income for the year)		**10,353.32**	**18,753.69**
IX	**Earnings Per Equity Share (EPS) of Rs. 10 each (not annualised)**			
	Basic and Diluted EPS (in Rs.)	49	**22.20**	**40.19**

Significant Accounting Policies and other accompanying Notes (1-54) form an integral part of the Financial Statements

As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

R. P. Singh
Partner
Membership No. 052438

Place: Chennai,
Date: May 04, 2021

For and on behalf of the Board of Directors

R. K. Khanna
Chairman
DIN: 05180042

G. S. Rathi
Whole Time Director
DIN: 00083992

S N Goswami
Chief Executive Officer

N. Sivalai Senthilnathan
Chief Financial Officer

G. Kodanda Pani
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

Rs. in Lakhs

A. Equity Share Capital

Particulars	Amount
As at Apri 01, 2019	4,669.84
Movement during the period	-
As at March 31, 2020	4,669.84
Movement during the period	-
As at March 31, 2021	4,669.84

B. Other Equity

As at March 31, 2021

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings	Re-measurement of defined benefit plan	
Balance as at April 01, 2020	23,940.81	47,500.00	65,504.28	-	1,36,945.09
Profit for the period	-	-	10,365.23	-	10,365.23
Other Comprehensive Income for the period	-	-	-	(11.91)	(11.91)
Total Comprehensive Income for the period	**-**	**-**	**10,365.23**	**(11.91)**	**10,353.32**
Transfer from/to Retained Earning	-	5,000.00	(5,011.91)	11.91	(0.00)
Dividend @ Rs.7 Per Equity Share	-	-	(3,268.89)	-	(3,268.89)
Balance as at March 31, 2021	**23,940.81**	**52,500.00**	**67,588.71**	**-**	**1,44,029.52**

As at March 31, 2020

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings	Re-measurement of defined benefit plan	
Balance as at April 01, 2019	23,940.81	42,500.00	55,128.38	-	1,21,569.19
Profit for the period	-	-	18,767.63	-	18,767.63
Other Comprehensive Income for the period	-	-	-	(13.94)	(13.94)
Total Comprehensive Income for the period	**-**	**-**	**18,767.63**	**(13.94)**	**18,753.69**
Transfer from/to Retained Earning	-	5,000.00	(5,013.94)	13.94	-
Dividend @ Rs.6 Per Equity Share (including corporate dividend tax)	-	-	(3,377.79)	-	(3,377.79)
Balance as of March 31, 2020	**23,940.81**	**47,500.00**	**65,504.28**	**-**	**1,36,945.09**

Refer Note no. 20 for nature and purpose of reserves
Significant Accounting Policies and other accompanying Notes (1-54) form an integral part of the Financial Statements

As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

R. P. Singh
Partner
Membership No. 052438

Place: Chennai,
Date: May 04, 2021

For and on behalf of the Board of Directors

R. K. Khanna
Chairman
DIN: 05180042

G. S. Rathi
Whole Time Director
DIN: 00083992

S N Goswami
Chief Executive Officer

N. Sivalai Senthilnathan
Chief Financial Officer

G. Kodanda Pani
Company Secretary

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Lakhs

Particulars	For the Year ended March 31, 2021		For the Year ended March 31, 2020	
A. Cash Flow from operating activities				
Profit/(Loss) before tax		**14,542.19**		**23,652.17**
Adjustment to reconcile Profit/(Loss) before tax to net cash generated from operating activities				
Finance Cost	4,555.96		4,620.06	
Depreciation and Amortisation Expense	4,624.24		4,116.70	
Loss/(profit) on sale/discard of fixed assets	(3.86)		(2.17)	
Deferred Income	(25.64)		(136.30)	
Interest Income on loans, deposits, overdue debts etc.	(4,568.48)		(5,384.31)	
Unrealised (gain)/ Loss on foreign currency translation and transaction	15.72		4.09	
Sundry credit balances written back	(34.81)		-	
Unrealised (gain)/loss on Derivative Instruments on fair valuation through profit and loss	116.51		(164.26)	
Net gain/(loss) on Current Investments measured at fair valuation through profit or loss	(274.28)	4,405.36	(79.96)	2,973.85
Operating Profit before Working Capital changes		**18,947.55**		**26,626.02**
Adjustments for :				
(Increase) / decrease in Loans, Other Financial and Non-Financial Assets	243.78		(437.52)	
(Increase) / decrease in Trade Receivables	32,555.76		(22,667.60)	
(Increase) / decrease in Inventories	2,712.80		1,984.10	
Increase / (decrease) in Other non-financial Liabilities and provisions	188.25		(1,281.59)	
Increase / (decrease) in Trade Payables and other financial Liabilities	3,863.44	**39,564.03**	(10,845.06)	**(33,247.67)**
Cash generated from / (used in) operations		**58,511.58**		**(6,621.65)**
Income taxes (paid)/refund (net)		(3,620.89)		(5,836.09)
Net Cash flow generated / (used in) Operating Activities (A)		**54,890.69**		**(12,457.74)**
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment and movement in Capital Work in Progress	(14,343.48)		(10,583.79)	
Proceeds from sale of Property, Plant and Equipments	8.68		3.08	
Interest Received	5,257.63		4,708.11	
Movement in Fixed Deposits and other bank balances (having original maturity of more than three months)	10,810.15		(14,899.44)	
Purchase of Current Investments	(1,04,549.00)		(52,330.00)	
Proceeds from Sale of Current Investments	89,162.69		52,409.96	
(Increase) / decrease in Inter-Corporate Deposits	2,925.00		1,695.00	
Net Cash flow generated / (used in) Investing Activities (B)		**(10,728.33)**		**(18,997.08)**
C. Cash Flow from Financing Activities				
Repayment of Long Term Borrowings	(4,310.20)		(3,591.43)	
Proceeds from Long Term Borrowings	4,415.20		-	
Short Term Borrowings-Receipts/(Repayments)[Net]	(25,356.39)		18,401.32	
Interest and other borrowing cost paid	(4,718.00)		(4,732.59)	
Payment of Lease Liability	(158.80)		(178.62)	
Dividends (including corporate dividend tax)	(3,255.78)		(3,362.92)	
Net Cash flow generated / (used in) Financing Activities (C)		**(33,383.97)**		**6,535.76**
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		**10,778.39**		**(24,919.06)**
Cash and Cash Equivalents as at Beginning of year		**804.13**		**25,723.19**
Cash and cash equivalents at the end of the year		**11,582.52**		**804.13**

Notes:

1. Components of Cash and Cash Equivalents		**As at March 31, 2021**		**As at March 31, 2020**
Particulars				
Cash On Hand		**2.10**		**3.63**
Balances with Banks				
In Current Account		**2,580.42**		**800.50**
In Fixed Deposit with original maturity of less than 3 months		**9,000.00**		**-**
		11,582.52		**804.13**

2. The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

3. Change in Company's liabilities arising from financing activities:

Particulars	As at March 31, 2020	Cash flows*	Non-Cash Flows	As at March 31, 2021
Non-current borrowings [Refer Note no. 21]	11,810.72	4,506.45	(4,069.30)	12,247.87
Current maturities of long term debt [Refer Note no. 26]	4,401.45	(4,401.45)	4,069.30	4,069.30
Short Term borrowings [Refer Note no. 24]	11,765.04	25,356.39	-	37,121.43
Lease Liabilities [Refer Note no. 48]	2,168.52	(158.78)	117.33	2,127.07
Interest accrued but not due on borrowings [Refer Note no. 26]	232.83	(487.96)	325.92	70.79

*Includes cash flows on account of both principal and interest.

Significant Accounting Policies and other accompanying Notes (1-54) form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

R. K. Khanna
Chairman
DIN: 05180042

G. S. Rathi
Whole Time Director
DIN: 00083992

S N Goswami
Chief Executive Officer

R. P. Singh
Partner
Membership No. 052438

Place: Chennai,
Date: May 04, 2021

N. Sivalai Senthilnathan
Chief Financial Officer

G. Kodanda Pani
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. CORPORATE INFORMATION

Srikalahasthi Pipes Limited ('SPL' or 'the Company'), is a public limited company in India having it's registered office at Rachagunneri, Srikalahasthi Mandal, Chittoor district in the state of Andhra Pradesh, India engaged in the manufacture and supply of Ductile Iron Pipe as its core business and in the process produces and supplies Pig Iron and Cement. It also produces Low Ash Metallurgical Coke, Sinter, Ferro Alloys and Power for captive consumption in its integrated complex. The company predominantly caters to the needs of Water Infrastructure Development. The company's shares are listed on the National Stock Exchange Limited (NSE) and the BSE Limited.

2. STATEMENT OF COMPLIANCE AND RECENT PRONOUNCEMENTS

2.1 STATEMENT OF COMPLIANCE

The financial statement has been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"). The Company has complied with Ind AS issued, notified and made effective till the date of authorisation of the financial statements.

2.2 APPLICATION OF NEW AND REVISED STANDARDS

Accounting Policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Effective April 01, 2020, there were certain amendments in Indian Accounting Standards (Ind AS) vide Companies (Indian Accounting Standards) Amendment Rules, 2020 notifying amendment to existing Ind AS 1 'Presentation of Financial Statements', Ind AS 8 'Accounting Policies, Changes in Estimates and Errors', Ind AS 10 'Events after the Reporting Period', Ind AS 34 'Interim Financial Reporting', Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', Ind AS 103 'Business Combinations', Ind AS 107 'Financial Instruments: Disclosures', Ind AS 109 'Financial Instruments', Ind AS 116 'Leases'.

Ind AS 1 has been modified to redefine the term 'Material' and consequential amendments have been made in Ind AS 8, Ind AS 10, Ind AS 34 and Ind AS 37.

Ind AS 103 dealing with 'Business Combination' has defined the term 'Business' to determine whether a transaction or event is a business combination. Amendment to Ind AS 107 and 109 relate to hedging relationship directly affected by Interest Rate Benchmark reforms. The amendment among other things requires an entity to assume that Interest Rate Benchmark on which hedged cash flows are based is not altered as a result of Interest Rate Benchmark reforms.

Ind AS 116 dealing with 'Leases' permitted lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.

Revision in these standards did not have any material impact on the profit/loss and earning per share for the year.

3. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The Financial Statements have been prepared under the historical cost convention on accrual basis except for:

a) certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period;

b) certain class of Property, Plant and Equipment which on the date of transition have been fair valued to be considered as deemed costs; and

c) Defined benefit plans- Plan Assets measured at fair value

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification.

The functional currency of the Company is determined as the currency of the primary economic environment

in which it operates. Accordingly, these financial statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

a) Level 1 : quoted prices (unadjusted) in activemarkets for identical assets or liabilities.
b) Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
c) Level 3 : inputs for the asset or liability which are not based on observable market data.

The company has an established control framework with respect to the measurement of fair values. This includes a finance team headed by Chief Financial Officer who has overall responsibility for overseeing all significant fair value measurements who regularly reviews significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

B. PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose, cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes (net of input credit availed), inward freight and other expenses related to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects, interest and other costs incurred on / related to borrowings attributable to such projects or fixed assets during construction period and related developmental expenses are capitalized.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on PPE arising on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of PPE is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The company's lease assets comprising of Land, Building and Plant and Equipments has been separately shown under PPE as Right of Use (ROU) Assets.

Capital Work-in-progress includes directly attributable construction and other cost, equipments to be installed, construction and erection materials etc. Such costs are added to related PPE and are classified to the appropriate categories when completed and ready for intended use.

C. LEASES

The Company's lease asset classes primarily consist of leases for office space, transit houses, Plant and Equipment etc. 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, 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 include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liability when it is reasonably certain that they will be exercised.

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 of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option. ROU asset are separately presented/disclosed under PPE. Lease liability obligations is presented separately under the head "Financial Liabilities" and lease payments are classified as financing cash flows.

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. Direct cost incurred in this respect are added to the said cost and lease incentive if any are deducted therefrom. They are subsequently measured at cost less accumulated depreciation and impairment losses.

D. DEPRECIATION AND AMORTISATION

Depreciation on PPE except otherwise stated, is provided as per Schedule II of the Companies Act, 2013 on straight line method over the estimated useful lives. Certain Plant and Machinery have been considered Continuous Process Plant on the basis of technical assessment. Depreciation on upgradation of Property, Plant and Equipment is provided over the remaining useful life of the entire component.

Depreciation on PPE commences when the assets are ready for their intended use. Based on above, the estimated useful lives of assets for the current period are as follows:

Category	Useful life (Years)
Buildings	
- Non-Factory Building	
• RCC Frame Structure	60
• Other than RCC Frame Structure	30
• Fences, wells, tube wells	5
• Others (including temporary structure, etc)	3
- Factory Building	30
Roads	
- Carpeted Roads-RCC	10
- Non-Carpeted Roads	3
Plant and machinery	
- Continuous Process Plant	25
- Sinter Plant, Blast Furnace, and Coke Oven	20
- Power Distribution Plant	35
- Power Generation unit	40
- Others	3-15
Computer equipment	
- Servers and networks	6
- Others	3
Furniture and fixtures, Electrical Installation and Laboratory Equipments	10
Office equipment	5
Vehicles - Motor cycles, scooters and other mopeds	8-10

Major Furnace relining costs capitalized as Plant and Machinery are depreciated over a period of 6 years (average expected life)

Right-of-use assets (ROU) 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.

Machinery Spares which can be used in connection with an item of PPE and whose use are expected to be irregular, are amortised over the useful life of the respective PPE.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

E. INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition/ deemed cost on transition date, comprising of purchase price inclusive of duties and taxes (net of input credit availed) less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages (ERP and others) has been allocated / amortized over the useful life using straight line method over a period of 3 years.

Amortization methods and useful lives are reviewed, and adjusted as appropriate, at each reporting date.

F. DERECOGNITION OF TANGIBLE AND INTANGIBLE ASSETS

An item of PPE/ROU/Intangible Assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

G. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Tangible, Intangible assets and ROU Assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise

exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost to disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years that reflects current market assessments of the time value of money and the risk specific to the asset.

H. FINANCIAL ASSETS AND LIABILITIES

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments is determined on initial recognition.

(i) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities comprising of Borrowings, trade and other payables subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability.

(ii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

(iii) For the purpose of para (i) and (ii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(iv) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognized at fair value and changes therein are recognized in the statement of profit and loss.

(v) Derivatives and Hedge Accounting

The company enters into derivative financial instruments such as foreign exchange forward contracts/options to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the

Company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments is assessed and measured at inception and on an ongoing basis to reduce the risk associated with the exposure being hedged.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset/liability, at fair value through profit or loss. Transaction costs attributable to the same are also recognized in statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

Hedging instrument which no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity remains therin till that time and thereafter to the extent hedge accounting being discontinued is recognised in Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the statement of profit and loss.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset, the difference between the assets's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to statement of profit and loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

(viii) 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.

(ix) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

I. INVENTORIES

(i) Inventories are valued at lower of the cost or net realizable value. Cost of inventories is ascertained on 'weighted average' basis. Materials and other supplies held for use in the production of inventories are not

written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and those under progress represents raw material cost plus costs of conversion, comprising labor costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

(iii) Cost in respect of work in progress represents cost incurred up to the stage of completion.

(iv) By-Products are valued at net realizable value.

(v) 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.

J. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account except in respect of non-current liabilities existing as on April 1, 2015 (i.e. transition date) related to Property, Plant and Equipment, in which case these are adjusted to the cost of respective PPE. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

K. EQUITY SHARE CAPITAL

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

L. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognised and disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation which arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

M. EMPLOYEE BENEFITS

Employee benefits are accrued in the year in which services are rendered by the employees.

Short-term Employee Benefits

Short term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the related service is rendered.

Post-employment Benefit Plans

Contribution to defined contribution plans such as Provident Fund etc., is being made in accordance with statute and are recognised as and when incurred.

Contribution to gratuity under defined benefit plans in keeping with the related scheme are recognised as expenditure for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined using the Projected Unit Credit Method with actuarial valuation being carried

out at each Balance Sheet date. Actuarial gains and losses are recognised in Other Comprehensive Income for 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, if any, and as reduced by the fair value of plan assets, where funded. Any asset resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plan or reductions in future contributions to the plan.

Other Long-term Employee Benefits (Unfunded)

The cost of providing long-term employee benefits consisting of Leave Encashment is determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

N. REVENUE

Revenue from Sale of Product

Revenue from Sales is recognised when control of the products has been transferred and/or the products are delivered to the customers. Delivery occurs when the product has been shipped or delivered to the specific location as the case may be and control has been transferred and either the customer has accepted the product in accordance with the contract or the company has objective evidence that all criteria for acceptance has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable net of returns, claims and discounts to customers. Goods and Service Tax (GST) and such other taxes collected on behalf of third party not being economic benefits flowing to the Company are excluded from revenue.

The Company provides warranties for defects, replacement etc. that existed at the time of sale based on historical trend and records.

Sale of Services

Revenue from Sales of Services has been recognized when the outcome of services can be estimated reliably and it is probable that the economic benefits associated with rendering of services will flow to the Company, and the amount of revenue can be measured reliably.

Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted / settled.

Export Benefits

Export incentives are accounted for in the year of export if the entitlements and realisability thereof can be estimated with reasonable accuracy and conditions precedent to such benefit is fulfilled.

O. BORROWING COST

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the statement of profit and loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

P. RESEARCH AND DEVELOPMENT

Research and development cost (other than cost of Property, Plant and Equipment acquired) are charged as an expense in the year in which they are incurred.

Q. GOVERNMENT GRANTS

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/rebates are credited to statement of profit and loss Account under "Other Operating Income" or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise to acquire non-current assets are recognized as Deferred Income and disclosed under non-Current Liabilities and transferred to statement of profit and loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets are transferred to statement of profit and loss over the periods that bear the cost of meeting the obligations related to such grants.

R. TAXES ON INCOME

Income tax expense representing the sum of current

tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.
Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences with respect to carryforward of unused tax credits and any unused tax losses/depreciation to the extent that it is probable that taxable profits will be available against which these can be utilized.

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 Company 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.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount 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 deferred tax asset to be utilized.

S. EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

T. SEGMENT REPORTING

Operating segments are identified and reported taking into account the different risk and return, organisation structure and the internal reporting provided to the chief-operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Segment manager who allocates resources and assess the operating activities, financial results, forecasts, or plans for the segment.

4. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of the financial statements in conformity with measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The notes provide an overview of the areas that involved a high degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant note together with information about basis of calculation of each affected line item in the financial statements. The key assumptions concerning the future and other key sources of estimation/assumptions at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities and related revenue impact within the next financial year are discussed below:

a. Depreciation / amortization and impairment loss against property, plant and equipment / intangible assets.

Property, plant and equipment, ROU Assets and Intangible Assets are depreciated/ amortized on straight-line basis over the estimated useful lives in accordance with internal assessment taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. The required level of impairment losses to be made is estimated by reference to the estimated value in use or recoverable amount. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives and residual life of the assets regularly in order to determine the amount of depreciation / amortization and also amount of impairment expense to be recorded and/or to be reversed during any reporting period. Subsequent reassessment or review may result in change of estimates in future periods.

b. Arrangement contain leases and classification of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account among other things, the location of the underlying asset and the availability of suitable alternatives. The lease terms and impact thereof are reassessed in each year to ensure that the lease term reflects the current economic circumstances.

c. Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience.

d. Defined Benefit Obligations (DBO)

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based on current market conditions.

e. Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management uses in-house and external legal professional to make judgment for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised taking into account changing facts and circumstances.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

5 Property, Plant and Equipment

As at March 31, 2021:

(Rs. in Lakhs)

Particulars	Land Freehold	ROU Land Leasehold	Factory Buildings	Non Factory Buildings	ROU Non Factory Buildings	Plant & Equipments	ROU Plant & Equipments	Electrical Installations	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
Gross carrying amount												
As at April 01, 2020	34,489.24	109.26	7,384.02	1,669.53	145.44	62,987.17	2,159.86	689.31	303.58	172.04	400.67	1,10,510.12
Additions	-	22.32	330.46	132.52	95.01	3,848.67	-	4.34	28.42	1.99	66.91	4,530.64
Deduction/Adjustment	-	-	-	-	-	(0.36)	-	39.38	(164.12)	125.61	9.20	9.71
As at March 31, 2021	**34,489.24**	**131.58**	**7,714.48**	**1,802.05**	**240.45**	**66,836.20**	**2,159.86**	**654.27**	**496.12**	**48.42**	**458.38**	**1,15,031.05**
Accumulated Depreciation												
As at April 01, 2020	-	3.69	1,372.35	516.69	83.87	14,894.98	172.79	418.71	195.68	24.20	167.93	17,850.89
Depreciation charged during the period	-	3.97	306.72	34.80	71.89	3,870.66	172.79	19.10	63.27	4.91	57.17	4,605.28
Deduction/Adjustment	-	-	-	-	-	-	-	-	-	-	4.89	4.89
As at March 31, 2021	**-**	**7.66**	**1,679.07**	**551.49**	**155.76**	**18,765.64**	**345.58**	**437.81**	**258.95**	**29.11**	**220.21**	**22,451.28**
Net Carrying Amount	**34,489.24**	**123.92**	**6,035.41**	**1,250.56**	**84.69**	**48,070.56**	**1,814.28**	**216.46**	**237.17**	**19.31**	**238.17**	**92,579.77**

As at March 31, 2020:

Particulars	Land Freehold	ROU Land Leasehold	Factory Buildings	Non Factory Buildings	ROU Non Factory Buildings	Plant & Equipments	ROU Plant & Equipments	Electrical Installations	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
Gross carrying amount												
As at April 01, 2019	34,489.24	-	6,757.53	1,422.99	-	55,556.23	-	644.37	298.12	44.73	351.46	99,564.67
Additions	-	109.26	626.49	246.54	145.44	7,430.94	2,159.86	44.94	5.70	127.45	65.16	10,961.78
Deletions	-	-	-	-	-	-	-	-	0.24	0.14	15.95	16.33
As at March 31, 2020	**34,489.24**	**109.26**	**7,384.02**	**1,669.53**	**145.44**	**62,987.17**	**2,159.86**	**689.31**	**303.58**	**172.04**	**400.67**	**1,10,510.12**
Accumulated Depreciation												
As at April 01, 2019	-	-	1,083.31	420.44	-	11,546.89	-	398.90	164.67	20.48	142.99	13,777.68
Depreciation charged during the year	-	3.69	289.04	96.25	83.87	3,348.09	172.79	19.81	31.24	3.77	40.08	4,088.63
Deduction/Adjustment	-	-	-	-	-	-	-	-	0.23	0.05	15.14	15.42
As at March 31, 2020	-	3.69	1,372.35	516.69	83.87	14,894.98	172.79	418.71	195.68	24.20	167.93	17,850.89
Net Carrying Amounts as at March 31, 2020	**34,489.24**	**105.57**	**6,011.67**	**1,152.84**	**61.57**	**48,092.19**	**1,987.07**	**270.60**	**107.90**	**147.84**	**232.74**	**92,659.23**

5.1 The Gross Block includes certain Property, Plant and Equipment i.e. freehold land which have been valued by an Independent valuer appointed in this respect and considered as “deemed cost” resulting in appreciation of Rs. 32,176.37 lakhs as on 1st April, 2015 (i.e. transition date) in accordance with the provisions of Ind AS 101 “First-time adoption of Indian Accounting Standards”.

5.2 Refer Note no. 21 of the financial statements in respect of charge created against borrowings

5.3 Government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme amounting to Rs. 294.74 lakhs on purchase of property, plant and equipment had been added to Plant and Equipments with corresponding credit to Deferred Income (Refer Note no.27.1).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

6 Intangible Assets:

As at March 31, 2021

(Rs. in Lakhs)

Details	Computer Software
Gross Block	
As at April 01, 2020	207.40
Additions	-
Deletions	-
As at March 31, 2021	**207.40**
Accumulated Amortisation	
As at April 01, 2020	156.01
Amortisation during the period	18.96
Deduction/Adjustment	-
As at March 31, 2021	**174.97**
Net Carrying Amount	**32.43**

As at March 31, 2020

Details	Computer Software
Gross Block	
As at April 01, 2019	192.66
Additions	14.74
Deletions	-
As at March 31, 2020	**207.40**
Accumulated Amortisation	
As at April 01, 2019	127.94
Amortisation during the period	28.07
Deduction/Adjustment	-
As at March 31, 2020	**156.01**
Net Carrying Amount	**51.39**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Lakhs

7. LOANS

Particulars	Refer Note no.	As at March 31, 2021	As at March 31, 2020
Security Deposits			
Unsecured - considered good		1,105.01	1,043.49
Unsecured Credit Impaired		5.72	5.72
Less : Impairment Allowance for doubtful		(5.72)	(5.72)
Total		**1,105.01**	**1,043.49**

7.1 MOVEMENT OF IMPAIRMENT ALLOWANCES FOR DOUBTFUL DEPOSITS

Balance at the beginning of the year		5.72	5.72
Recognised during the year		-	-
Reversal during the year		-	-
Balance at the end of the year		5.72	5.72

8 OTHER FINANCIAL ASSETS

Margin Money with banks	15.1	6.26	0.97
Security Deposit/EMD to Customers	17.2	27.27	12.56
Total		**33.53**	**13.53**

9 OTHER NON-CURRENT ASSETS

Capital Advances		194.08	638.32
Prepaid Expenses		6.87	14.54
Total		**200.95**	**652.86**

10 NON CURRENT TAX ASSETS

Advance Tax (Net of Provision for Tax of Rs. 29,743.77 Lakhs (March 31, 2020: Rs. 24,062.63 Lakhs)		637.57	567.71
Total		**637.57**	**567.71**

11 INVENTORIES

(Valued at lower of Cost or Net Realisable Value)			
Raw Materials		19,918.53	19,401.31
Process Stock		1,408.19	1,483.67
Finished Goods		2,863.65	5,649.22
Finished Goods in transit		411.44	844.09
Stores & Spares		5,969.26	5,905.58
Total		**30,571.07**	**33,283.87**

11.1 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings.

11.2 Stores and Spares stock includes stock of DI Pipe Mould amounting to Rs. 2,827.88 lakhs (March 31, 2020: Rs. 1,606.35 lakhs) being charged to consumption based on production.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

12 INVESTMENTS

Rs. in Lakhs

Particulars	Face Value	As at March 31, 2021		As at March 31, 2020	
		No of Units	Amount	No of Units	Amount
A. Investment in Mutual Funds					
(Fair Value through Profit and Loss)					
(Unquoted, Fully Paid-up, Unless otherwise stated)					
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	100	7,05,043.58	3,009.38	-	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan (Formerly known as Aditya Birla Sun Life Cash Plus)	100	3,01,646.32	1,000.06	-	-
Aditya Birla Sunlife Overnight Fund - Growth - Direct Plan	1000	44,932.08	500.07	-	-
LGRD- Union Liquid Fund - Growth - Direct Plan	1000	2,42,422.91	4,804.97	-	-
MDRG- Union Medium Duration Fund - Regular Plan - Growth	10	99,99,500.03	1,020.40	-	-
LIC MF Overnight Fund - Regular Plan - Growth	1000	46,989.66	500.06	-	-
LIC MF Ultra Short Term Fund - Regular Plan- Growth	1000	3,61,665.97	3,818.36	-	-
			14,653.30	-	-
B. Investment in Alternative Investments Funds (AIF)					
(Unquoted, Fully Paid-up, Unless otherwise stated) "					
Alpha Alternatives Multi Strategy Absolute Return Scheme (Class I- Feb' 21) "	1000	99,995.00	1,007.29	-	-
			1,007.29	-	-
Total			**15,660.59**	**-**	**-**

12.1	**Aggregate amount of Unquoted Investments in Mutual Funds**	**14,653.30**	**-**
12.2	**Aggregate amount of NAV of Investments in Mutual Funds**	**14,653.30**	
12.3	**Aggregate amount of Unquoted Investments in AIF**	**1,007.29**	
12.4	**Particulars of Investments as required in terms of Section 186(4) of the Companies Act, 2013 has been disclosed herein above.**		
12.5	**Refer Note no. 24.1 to financial statements in respect of charge created against borrowings**		

13 TRADE RECEIVABLES

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020
(Unsecured)				
- Considered good	13.2	22,580.67		54,172.63
Total		**22,580.67**		**54,172.63**

13.1 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings

13.2 Age of Trade Receivables:

Within the credit period (actuals)		9,787.14		34,321.03
0 - 90 days		11,319.25		14,559.04
91 - 180 days		1,307.44		318.97
More than 18 days past due		166.84		4,973.59
Total		**22,580.67**		**54,172.63**

The average credit period on sales of goods is 45 – 90 days. In case of delay, interest, wherever applicable, is charged.

14 CASH AND CASH EQUIVALENTS

Balances with Banks				
- in Current Account		2,580.42		800.50
- In Fixed Deposit with original maturity of less than 3 months		9,000.00		-
Cash on Hand		2.10		3.63
Total		**11,582.52**		**804.13**

14.1 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Lakhs

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020
Balances with Banks				
- In Unpaid Dividend	15.2	103.45		90.34
- In Fixed Deposit with original maturity of more than 3 months	15.3	24,219.37		33,500.00
- In Margin Money	15.1	376.18		1,905.70
Total		**24,699.00**		**35,496.04**

15.1 Margin Money with banks includes Fixed Deposit of Rs. 382.44 lakhs (March 31, 2020: Rs. 1,906.67 Lakhs) including Rs. 6.26 lakhs (March 31, 2020: Rs. 0.97 lakhs) disclosed under other non-current financial assets lodged with banks against guarantee issued by them.

15.2 Amount is not due for transfer to Investor Protection Fund.

15.3 Fixed Deposits with bank includes Fixed Deposit of Rs. 178.00 lakhs (March 31, 2020: Nil) lying with banks as per the DSRA in terms of the facilities granted by them.

15.4 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings.

16 LOANS

Unsecured				
-Considered good				
Inter Corporate Loans	16.2	1,730.00		4,655.00
Loans and Advances to employees		39.32		30.80
Other Deposits	16.1	169.06		202.51
Total		**1,938.38**		**4,888.31**

16.1 Disclosure of Loans and Advances as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) are as follows:

Particulars of Advances	Amount Outstanding at the year end March 31, 2021	Maximum Amount Outstanding during the year ended March 31, 2021	Amount Outstanding at the year end March 31, 2020	Maximum Amount Outstanding during the year ended March 31, 2020
Loans and advances in the nature of loans to Companies in which directors are interested				
Amit Trexim Private Limited	3.00	3.00	3.00	3.00

16.1.1 All the above advances have been given for general corporate purposes.

16.2 Disclosure of Inter Corporate Loans (other than above) as per Sec 186(4) of the Companies Act 2013 are as follows

Particulars of Loan given	Rate of Interest	Amount Outstanding at the year end March 31, 2021	Maximum Amount Outstanding during the year ended March 31, 2021	Amount Outstanding at the year end March 31, 2020	Maximum Amount Outstanding during the year ended March 31, 2020
Sanghai Commercial & Credits (P) Limited	10%/8%	1,730.00	4,655.00	4,655.00	8,580.00
	Total	**1,730.00**	**4,655.00**	**4,655.00**	**8,580.00**

16.2.1 All the above Inter Corporate Loans have been given for general corporate purposes.

16.2.2 The Interest rate on such Inter Corporate Loans have been reduced to 8% from January 01, 2021

16.3 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

17 OTHER FINANCIAL ASSETS

Rs. in Lakhs

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020
Security Deposit/EMD to Customers	17.2	66.69		118.92
Sales Tax Subsidy Receivable		1,202.49		1,202.49
Sales Tax Deposits	17.1	564.16		396.81
Derivative Assets at Fair Value through Profit and Loss	39(d)	-		164.26
Interest Receivable		485.54		1,174.69
Total		**2,318.88**		**3,057.17**

17.1 Represents deposits made against disputed demand with Sales Tax Authorities (Refer Note no. 40(b)(i).

17.2 Represents deposits lying with customers in terms of agreement/order with/from customers.

17.3 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings.

18 OTHER CURRENT ASSETS

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020
Balance with Government Authorities		193.95		474.20
Advance for supply of goods and services				
- Related Parties	18.1	7,000.00		2,274.52
- Others		3,664.40		4,138.24
Export incentive Receivable		46.13		24.33
Prepaid Expenses		102.88		252.27
Total		**11,007.36**		**7,163.56**

18.1 Includes Interest bearing security deposit of Rs.7000.00 lakhs (March 31, 2020: Rs. 2,274.52 lakhs) lying with the Electrosteel Castings Limited in terms of Agreement for Sale and Purchase of Coking Coal, DI Pipes etc. to be refunded on expiration of the contract along with interest at 8% p.a.

18.2 Refer Note no. 24.1 to financial statements in respect of charge created against borrowings.

19 EQUITY SHARE CAPITAL

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020	
		No of Shares in Lakhs	Amount	No of Shares in Lakhs	Amount
Authorised: Equity Shares of Rs.10/- each		530.00	5,300.00	530.00	5,300.00
Issued, Subscribed and Fully Paid up Equity Shares of Rs.10/- each		466.98	4,669.84	466.98	4,669.84
	Total	**466.98**	**4,669.84**	**466.98**	**4,669.84**

19.1 There is no movement in Equity Share Capital during the current and previous year.

19.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Rs. in Lakhs

19.3 SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares in Lakhs	% holding	No. of Shares in Lakhs	% holding
Electrosteel Castings Limited	193.01	41.33	193.01	41.33
Belgrave Investment Fund	25.57	5.47	14.43	3.09

20 OTHER EQUITY

Particulars	Refer Note no.	As at March 31, 2021	As at March 31, 2020
(a) Securities Premium	20.1(a)		
As per last Balance Sheet		23,940.81	23,940.81
(b) General Reserve	20.1(b)		
As per last Balance Sheet		47,500.00	42,500.00
Transfer from/to Retained Earning		5,000.00	5,000.00
		52,500.00	**47,500.00**
(c) Retained Earnings	20.1(c)		
As per last Balance Sheet		65,504.28	55,128.38
Profit for the year		10,365.23	18,767.63
Transfer from other Comprehensive Income		(11.91)	(13.94)
Transfer from/to Retained Earning		(5,000.00)	(5,000.00)
Dividends @ Rs. 7 (March 31, 2020: Rs. 6) per Equity share	20.2	(3,268.89)	(2,801.90)
Dividend distribution tax thereon		-	(575.89)
		67,588.71	**65,504.28**
(d) Other Comprehensive Income	20.1(d)		
Re-measurement of defined benefit plan			
As per last balance sheet		-	-
Other Comprehensive Income for the year		(11.91)	13.94
Transfer to retained earnings		11.91	(13.94)
		-	-
Total		**1,44,029.52**	**1,36,945.09**

20.1 Nature of reserves

a) Securities Premium

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

b) General Reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transferring from one component to another and is not an item of Other Comprehensive Income, items included in the general reserve will not be reclassified subsequently to Statement of Profit and Loss.

c) Retained Earnings

Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company. This includes Rs. 2,48,85.21 lakhs (net of taxes) represented by change in carrying amount of an PPE being measured at Fair Value and considered as deemed cost as on the date of transition to Ind AS and Other Comprehensive Income of (Rs.118.70 lakhs) (March 31, 2020: Rs.(106.79 lakhs)) relating to re-measurement of defined benefit plans which cannot be reclassified to Statement of Profit and Loss. Therefore, the amount reported above are not distributable in entirety.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

d) Other Comprehensive Income

This includes gain/losses on defined benefit obligations which is transferred to retained earnings as stated in Note 20.1(c) above.

20.2 The Shareholders in the Annual General Meeting held on July 27, 2020 had approved the final dividend of Rs. 7/- per share in respect of the financial year ended March 31, 2020 resulting in dividend outflow of Rs. 3,268.89 lakhs.

20.3 Subsequent to the balance sheet date, the Board of Directors has recommended a dividend of Rs. 6/- per share to be paid on fully paid equity shares in respect of the financial year ended March 31, 2021. This equity dividend is subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The total equity dividend as proposed by the Board works out to be Rs. 2,801.90 lakhs.

21 Borrowings

Rs. in Lakhs

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020	
		Non Current	Current	Non Current	Current
Secured	21.2 and 21.3				
From Banks					
Rupee Term loans	21.1 (a) to (c)	12,247.87	4,069.30	11,810.72	3,500.00
External Commercial Borrowing		-	-	-	901.45
		12,247.87	**4,069.30**	**11,810.72**	**4,401.45**
Less: Amount shown under current Financial liabilities	26	**-**	**4,069.30**	-	4,401.45
	Total	**12,247.87**	**-**	**11,810.72**	**-**

21.1 Terms of Repayment and rate of interest:

a Rupee Term Loan outstanding as on March 31, 2021 Rs. 4,415.20 Lakhs (March 31, 2020: Nil) is repayable in 20 equal Quarterly instalment and carries an Interest at MCLR-1Y+0.85 (i.e. 9.45% p.a. presently) payable monthly.

b Rupee Term Loan outstanding as on March 31, 2021 Rs.5,250.00 Lakhs (March 31, 2020: Rs.6,750.00 Lakhs) is repayable in 14 equal Quarterly instalment of Rs. 375.00 Lakhs each from June, 2021 and carries an Interest at MCLR-1Y+0.85 (i.e. 8.20% p.a. presently) payable monthly.

c Rupee Term Loan outstanding as on March 31, 2021 Rs. 7,000.00 Lakhs (March 31, 2020: Rs.9,000.00 Lakhs) is repayable in 14 equal Quarterly instalment of Rs. 500.00 Lakhs each from June, 2021 and carries an Interest at MCLR-1Y+0.96 (i.e. 8.41% p.a. presently) payable monthly.

21.2 Nature of security :

The above Loans are secured by way of first pari-passu charge on the Movable and Immovable Property, Plant and Equipment of the company, both present and future.

21.3 The outstanding balances as disclosed above are based on Amortised cost in accordance with Ind AS 109 "Financial Instruments".

22 PROVISIONS

Particulars	Refer Note no.	As at March 31, 2021		As at March 31, 2020	
		Non Current	Current	Non Current	Current
For Employee Benefits					
- Unavailed Leave, Gratuity, Bonus, etc.,	44	835.57	558.97	768.84	598.85
Total		**835.57**	**558.97**	**768.84**	**598.85**

Notes to Financial Statements for the Year Ended March 31, 2021

Rs. in Lakhs

23 DEFERRED TAX LIABILITIES (NET):

Particulars	As at March 31, 2020	Charge/(Credit) recognised in Statement of profit and loss	Charge/(Credit) recognised in OCI	As at March 31, 2021
Deferred tax liabilities / assets in relation to:				
Deferred tax Liabilities:				
Timing Difference w.r.t Property, Plant and Equipment	13,642.31	413.44	-	14,055.75
Lease Liability	25.59	22.61	-	48.20
Fair Valuation of Investment through Profit and Loss and Others	-	15.25	-	15.25
Fair Valuation of Derivative Instrument through Profit and Loss and Others	41.34	(22.12)	-	19.22
Total Deferred tax Liabilities	13,709.24	429.18	-	14,138.42
Deferred tax Assets:				
Share Issue Expenses	62.35	28.15	-	34.20
Defined benefit obligation / Employee Benefits and others	375.46	(46.31)	(4.00)	425.77
Total Deferred tax Assets	437.81	(18.16)	(4.00)	459.97
Deferred Tax Liabilities (net)	**13,271.43**	**411.02**	**(4.00)**	**13,678.45**

Particulars	As at March 31, 2019	Charge/ (Credit) recognised in Statement of profit and loss	Charge/(Credit) recognised in OCI	As at March 31, 2020
Deferred tax liabilities / assets in relation to:				
Deferred tax Liabilities:				
Timing Difference w.r.t Property, Plant and Equipment	15,972.61	(2,330.30)	-	13,642.31
Lease Liability	-	25.59	-	25.59
Fair Valuation of Derivative Instrument through Profit and Loss and Others	2.78	38.56	-	41.34
Total Deferred tax Liabilities	15,975.39	(2,266.15)	-	13,709.24
Deferred tax Assets:				
MAT Credit entitlement	909.62	909.62	-	-
Share Issue Expenses	125.65	63.30	-	62.35
Defined benefit obligation / Employee Benefits and others	621.89	251.12	(4.69)	375.46
Total Deferred tax Assets	1,657.16	1,224.04	(4.69)	437.81
Deferred Tax Liabilities (net)	**14,318.23**	**(1,042.11)**	**(4.69)**	**13,271.43**

24 BORROWINGS

Particulars	Refer Note no.	As at March 31, 2021	As at March 31, 2020
Secured			
Working Capital facilities from Banks			
Rupee Loan	24.1	4,463.15	24,549.54
		4,463.15	**24,549.54**
Unsecured			
Working Capital facilities from Banks			
Rupee Loan	24.3	4,497.98	-
Bill Discounted with Banks	24.2	2,803.91	12,571.89
		7,301.89	**12,571.89**
	Total	**11,765.04**	**37,121.43**

Notes to Financial Statements for the Year Ended March 31, 2021

Rs. in Lakhs

24.1 Nature of Security and rate of interest

Working Capital facilities from banks (both fund based and non-fund based) are secured by first pari passu charge by way of hypothecation of entire current assets namely raw materials, semi finished goods , finished goods, consumables, stores and spares, book debts other than those discounted as per 24.2 below, both present and future.

24.2 The Company has discounted trade receivables on recourse basis. Accordingly, the monies received on this account are shown as borrowings as the trade receivable to that extent even though earmarked against the same do not meet the de-recognition criteria. This bills are discounted at around 4.50% to 5.25% and are repayable within 180 days.

24.3 Unsecured working capital demand loan from banks are for a term of upto 180 days bearing interest as per 3M MCLR (i.e. 7.80% presently)

25 TRADE PAYABLES

Particulars	Refer Note no.	As at March 31, 2021	As at March 31, 2020
Payable for Goods and Services			
Due to Micro and Small Enterprises	42	2,554.79	44.86
Due to Others		8,475.15	12,691.01
Total		**11,029.94**	**12,735.87**

26 OTHER FINANCIAL LIABILITIES

Particulars	Refer Note no.	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings- Secured	21	4,069.30	4,401.45
Interest accrued but not due on Loans		70.79	232.83
Unpaid dividends		103.45	90.34
Other Payables			
-Creditors for capital goods		2,829.40	136.26
- Retention Money		195.72	244.32
- Lease Liabilities	48	174.47	219.61
- Derivative Instrument Liability at fair value through profit and loss (net)	39(d)	116.51	-
- Others i.e. Deduction from Salary and Commission to Directors		135.81	69.97
Total		**7,695.45**	**5,394.78**

27 OTHER CURRENT LIABILITIES

Particulars	Refer Note no.	As at March 31, 2021	As at March 31, 2020
Statutory Payables- PF, ESI, Service Tax,TDS,GST etc.		1,457.48	1,280.17
Advance from Customers		3,170.37	2,206.57
Deferred Income	27.1	25.64	25.64
Others i.e. ED on Power		264.07	264.07
Total		**4,917.56**	**3,776.45**

Notes to Financial Statements for the Year Ended March 31, 2021

27.1 DEFERRED INCOME COMPRISES OF GOVERNMENT GRANTS/ASSISTANCE IN FORM OF:

Rs. in Lakhs

Particulars	Opening (Including Non-Current Portion)	Recognised during the year	Transferred to Statement of Profit and Loss	Closing (Including Non-Current Portion)
a) Financial Assistance under Industrial Development Fund (IIDF) towards Capital expenditure incurred for manufacturing DI Pipes to be used for transportation of Waste water and for installation of treatment plant for recycling the sewage water for industrial requirement of Tirupati Municipal Corporation as specified in Industrial Investment Promotion Policy 2005-2010 and 2010-2015. The assistance capitalised as cost of PPE with corresponding credit to deferred income has been transferred to Statement of Profit and Loss proportionately based on useful lives of respective property, plant and equipment	423.08		25.64	397.44

28 CURRENT TAX LIABILITIES

Particulars	As at March 31, 2021		As at March 31, 2020
Provision for Taxation (Net of Advance Tax of Rs. 3,594.68 Lakhs (March 31, 2020: Rs. 5,772.19 Lakhs)	396.90		181.99
Total	**396.90**		**181.99**

29 REVENUE FROM OPERATIONS

Particulars	Refer Note no.	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020
Sale of Manufactured Products				
- D I Spun Pipes		1,12,715.40		1,39,560.09
- Pig Iron		5,600.30		2,060.46
- Cement		1,851.30		831.36
- Ferro Silicon		4,370.45		434.76
- Coke		12,097.88		7,597.25
- Other Products		9,744.42		8,839.12
Sale of Traded Products				
- Coal and others		3,847.24		6,921.08
Other Operating Income				
- Export Incentive		31.54		46.04
Total		**1,50,258.53**		**1,66,290.16**

29.1 DISAGGREGATE REVENUE

The break up with respect to type of revenue stream of the Company are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
	Government		Non-Government	
Within India				
- D I Spun Pipes	4,608.95	13,104.67	1,07,431.29	1,25,458.02
- Pig Iron	-	-	5,600.30	2,060.46
- Cement	-	-	1,851.30	831.36
- Ferro Silicon	-	-	4,352.10	434.76
- Coke	-	-	12,097.88	7,597.25
- Other Products	-	-	9,744.42	8,839.12
Outside India				
- D I Spun Pipes -	-	675.16	997.40	
- Ferro Silicon	-	-	18.35	-

Notes to Financial Statements for the Year Ended March 31, 2021

30 OTHER INCOME

Rs. in Lakhs

Particulars	Refer Note no.	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income On loans, deposits, overdue debts etc. measured at amortised cost		4,568.48	5,384.31
Rent received		5.48	5.39
Net gain on Current Investments at fair valuation through profit and loss		274.28	79.96
Profit on sale of property, plant and equipment (net)		3.86	2.17
Net Gain on foreign exchange fluctuation		704.16	-
Net Gain on Derivative Instrument measured at fair valuation through profit and loss		-	710.36
Liabilities no longer required written back		34.81	-
Income from Government Grants	27.1	25.64	136.30
Miscellaneous Income		17.00	50.83
	Total	**5,633.71**	**6,369.32**

31 COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020
Coking Coal / Coke	35,382.83		45,016.52
Iron Ore / Iron Ore Fines	18,731.99		16,977.51
CRC / MS Scrap	4,729.39		5,740.18
Others	14,094.24		14,986.13
Total	**72,938.45**		**82,720.34**

32 PURCHASES OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020
Coal / DI Spun Pipes	3,632.53		6,493.91
Total	**3,632.53**		**6,493.91**

33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020	
Opening Stock				
Process Stock	1,483.67		929.27	
Finished Goods	6,493.31	**7,976.98**	3,374.07	**4,303.34**
Closing Stock				
Process Stock	1,408.19		1,483.67	
Finished Goods	3,275.09	**4,683.28**	6,493.31	**7,976.98**
Total		**3,293.70**		**(3,673.64)**

34 EMPLOYEE BENEFIT EXPENSE

Particulars		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries and Wages		7,337.23	7,774.12
Contribution to Provident and Other Fund	44	490.81	395.70
Staff Welfare Expenses		519.33	554.35
Total		**8,347.37**	**8,724.17**

Notes to Financial Statements for the Year Ended March 31, 2021

Rs. in Lakhs

35 FINANCE COST

Particulars		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest Expenses on financial liabilities not measured at FVTPL		4,000.23	4,146.33
Other Borrowing Cost (i.e. LC chares, Supplier's Credit, Guarantee Commission, Swap etc.)		555.73	473.73
Total		**4,555.96**	**4,620.06**

36 DEPRECIATION AND AMORTISATION

Particulars	Refer Note no.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation on Tangible Assets	5	4,605.28	4,088.63
Amortisation of Intangible Assets	6	18.96	28.07
Total		**4,624.24**	**4,116.70**

37 OTHER EXPENSES

Particulars	Refer Note no.	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020
Consumption of Stores, Spares & Consumables		12,152.63		13,971.78
Power & Fuel		8,268.72		6,750.99
Packing and Forwarding charges		10,309.97		12,141.66
Rent	48	46.96		20.53
Rates & Taxes		196.00		193.78
Insurance		382.93		302.52
Repairs & Maintenance :				
- Plant & Machinery		1,162.22		1,055.19
- Buildings		183.40		124.86
- Others		1.71		0.81
Handling & Transport charges		5,125.57		5,040.96
Directors' Sitting Fee and Commission		172.65		136.05
Professional and consultancy		1,447.00		992.12
Commission to Selling Agents		833.76		1,385.00
Impairment Allowances for doubtful debts & Advances		-		5.37
Net Loss on Derivative Instrument measured at fair valuation through profit and loss		1,360.65		-
Net Loss on Foreign Exchange Fluctuation		-		1,985.01
Auditors' Remuneration :				
- Audit fee		10.00		10.00
- Certification fee		9.75		7.85
- Out of Pocket Expenses		0.84		2.06
Charity and Donations		940.96		608.35
Contribution to CSR Activites	37.1	387.85		342.58
Miscellaneous Expenses		964.23		928.30
	Total	**43,957.80**		**46,005.77**

Notes to Financial Statements for the Year Ended March 31, 2021

Rs. in Lakhs

37.1 The Company had in earlier years constituted Corporate Social Responsibility (CSR) Committee. The total amount spent under the CSR in terms of the policies framed and allocation done by the Committee for the year under consideration is Rs. 387.85 Lakhs (March 31, 2020: Rs. 342.58 Lakhs).

Particulars	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020
a) Gross amount required to be spent by the company during the year	386.39		347.62
b) Amount Spent during the year on:			
(i) Construction/ acquisition of any assets			
- In Cash	-		-
- Yet to be paid in Cash	-		-
	-		-
(ii) On purpose other than (i) above			
- In Cash	387.85		342.58
- Yet to be paid in Cash	-		-
Total	**387.85**		**342.58**

38 TAX EXPENSE

Particulars	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020
Current tax			
In respect of the current year	3,920.40		5,926.65
In respect of the earlier year	(154.46)		-
	3,765.94		**5,926.65**
Deferred tax			
In respect of the current year	411.02		(1,042.11)
Total tax expense recognised in the current year	**4,176.96**		**4,884.54**

The Company had exercised the option for paying income tax at concessional rates subject to the provisions/ conditions as permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 during the previous year and the same has been continued for current year also.

Reconciliation of Income Tax expense for the year with accounting profit is as follows:

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

Particulars	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020
Profit before tax	14,542.19		23,652.17
Income tax expense calculated at 25.17% (March 31, 2020: 25.17%)	3,660.27		5,953.25
Less :			
Effect of Income Tax Ammendment Act			
On Re-measurement of Deferred Tax	-		(2,200.58)
On reversal of MAT Credit	-		909.62
Add : Effect of expenses that are not deductible in determining taxable profit			
CSR Expenditure, Donation etc.	351.73		239.10
Effect of adjustments in Income Tax Return	334.44		-
Others	(15.02)		(16.85)
	4,331.42		4,884.54

The tax rate used for reconciliations above is the corporate tax rate of 22% plus applicable surcharge and cess etc. payable by corporate entities in India on taxable profits under the Indian tax laws.

Notes to Financial Statements for the Year Ended March 31, 2021

38.1 INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

(Rs. in lakhs)

Particulars	For the Year Ended March 31, 2021		For the Year Ended March 31, 2020
Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
Remeasurement of defined benefit obligation	4.00		4.69
Bifurcation of the income tax recognised in other comprehensive income into:-			
Items that will not be reclassified to profit or loss	4.00		4.69
Items that may be reclassified to profit or loss	-		-

39. FINANCIAL INSTRUMENTS

a) The accounting classification of each category of financial instruments, their carrying amount and fair values as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Assets (Current and Non-Current)		
At Amortised cost:		
• Security and Other Deposits	1,932.19	1,774.29
• Trade receivables	22,580.67	54,172.63
• Cash and Bank balances	2,685.97	894.47
• Fixed Deposits and Margin Money with Banks	33,601.81	35,406.67
• Inter-Corporate Deposits	1,730.00	4,655.00
• Interest Receivable	485.54	1,174.69
• Other Financial Assets	1,241.81	1,233.29
Fair Value through Profit and Loss Account		
• Derivative- not designated as hedging instruments: -		
- Forward, Swap and Options	-	164.26
- Investment in Mutual and Alternate Investment Fund	15,660.59	-
Financial Liabilities (Current and Non-Current)		
At Amortised cost:		
• Long Term Borrowings- Floating Rate	16,317.17	16,212.17
• Short Term Borrowings- Floating Rate	8,961.13	24,549.54
• Bills Discounted with banks	2,803.91	12,571.89
• Operational Buyer's Credit/ Supplier's Credit	18,035.34	8,269.32
• Lease Liabilities	2,127.07	2,168.52
• Trade payables	11,029.94	12,735.87
• Interest accrued but not due	70.79	232.83
• Other financial Liabilities	3,264.38	540.89
Fair Value through Profit and Loss Account		
• Derivative - not designated as hedging instruments:		
- Forward, Swap and Options	116.51	-

b) FAIR VALUATION TECHNIQUES:

The fair values of the financial assets and liabilities are included at the amount 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.

Notes to Financial Statements for the Year Ended March 31, 2021

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

1. The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at cost in the financial statements approximate their fair values.
2. The Company's long-term debt has been contracted at floating rates of interest. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.
3. Investment in liquid and short-term mutual funds which are classified as fair value through profit and loss are measured using Net Assets Value at the reporting date multiplied by the quantity held.
4. The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. The said valuation has been carried out by the counter party with whom the contract has been entered with. Management has evaluated the credit and non-performance risks associated with the counterparties and found them to be insignificant and not requiring any credit adjustments.

c) FAIR VALUE HIERARCHY

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Rs. in Lakhs

Particulars	As at March 31, 2021 (*)	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
– Derivative - not designated as hedging instruments - Forward, Swap and Options	- (164.26)	- -	- (164.26)	- -
–Investment in Mutual and Alternate Investment Fund	15,660.59 (-)	15,660.59 (-)	- -	- -
–Inter-Corporate Deposits	1,730.00 (4,655.00)	- -	1,730.00 (4,655.00)	- -
–Fixed Deposits and Margin Money	33,601.81 (35,406.67)	- -	33,601.81 (35,406.67)	-
Financial Liabilities				
–Long Term Borrowings- Floating Rate	16,317.17 (16,212.17)	- -	16,317.17 (16,212.17)	- -
– Short Term Borrowings- Floating Rate	8,961.13 (24,549.54)	- -	8,961.13 (24,549.54)	- -
–Derivative - not designated as hedging instruments - Forward, Swap and Options	116.51 (-)	- -	116.51 (-)	- -
–Operational Buyer's Credit/ Supplier's Credit	18,035.34 (8,269.32)	- -	18,035.34 (8,269.32)	- -
–Lease Liability	2,127.04 (2,168.52)	- -	2,127.04 (2,168.52)	- -
–Bills Discounted with banks	2,803.91 (12,571.89)	-	2,803.91 (12,571.89)	- -

() Figures in round brackets indicate figures as on March 31, 2020.

Notes to Financial Statements for the Year Ended March 31, 2021

During the year ended March 31, 2021 and March 31, 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on cost of fund borrowed by the company.

Financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. In respect of derivative financial instruments, the inputs used for forward contracts are Forward foreign currency exchange rates and Interest rates to discount future cash flow.

d) DERIVATIVES FINANCIAL ASSETS AND LIABILITIES:

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

i) The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

(in lakhs)

	Category	Currency	As at March 31, 2021		As at March 31, 2020		Underlying Purpose
			No. of Deals	Amount US$ in lakhs	No. of Deals	Amount US$ in lakhs	
1	Forward	USD/INR	21	137.29	10	72.37	Supplier/Buyers Credit/Trade payable
2	Option	USD/INR	10	130.58	3	63.05	Supplier/Buyers Credit
3	Interest Rate Swap	USD	-	-	3	8.61	External commercial Borrowings

ii) Unhedged Foreign Currency exposures are as follows: -

(in lakhs)

Nature	Currency	Amount in Foreign Currency	
		As at March 31, 2021	As at March 31, 2020
Trade Payables	USD	12.48	0.36
Trade Payables	GBP	0.13	0.13
Trade Payables	EURO	1.37	1.46
External Commercial Borrowings and Interest	USD	-	12.29
Trade Receivables	SGD	12.29	11.56
Supplier's Credit	USD	4.90	-
Interest accrued but not due	USD	0.21	-

Notes to Financial Statements for the Year Ended March 31, 2021

The table below analyses the derivative financial instruments into relevant maturity groups based on the remaining period as of the balance sheet date:

(Rs. in lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
Not later than one month		18.95	63.47
Later than one month and not later than three months		33.66	100.22
Later than three months and not later than one year		63.90	0.57
Later than one year		-	-

e) DISPOSAL OF FINANCIAL ASSETS

In the normal course of business, the Company transfers its bills receivable to banks. Under the terms of the arrangements, the Company surrenders control over the financial assets and transfer is without recourse. Accordingly, such transfers are recorded as sale of financial assets. Gains and losses on sale of financial assets without recourse are recorded at the time of sale based on the carrying value of the financial assets. In certain cases, transfer of financial assets may be with recourse. Under arrangements with recourse, the Company is obligated to repurchase the uncollected financial assets, subject to limits specified in the agreement with the banks. Accordingly, in such cases the amounts received are recorded as borrowings in the statement of financial position and cash flows from financing activities.

The carrying value of trade receivables not de-recognised along with the associated liabilities is as below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying value of Asset transferred	Carrying value of associated liabilities	Carrying value of Asset transferred	Carrying value of associated liabilities
Trade receivables	2,803.91	2,803.91	12,571.89	12,571.89

f) FINANCIAL RISK MANAGEMENT

The company's activities exposed it to a variety of financial risks. The key financial risks include Market risk, Credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors review and approves policy for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market price fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and price risk. Financial instruments affected by market risk include trade receivables, borrowings, investments in fixed deposits and mutual funds, and trade and other payables.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relate primarily to the Company's foreign currency denominated borrowings and trade and other payables.

The company has foreign exchange loss of Rs. 656.49 lakhs during the year. In order to mitigate the forex losses, the Company has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts, options and swaps. The Company periodically reviews its risk management initiatives and also takes experts advice on regular basis on hedging strategy.

Notes to Financial Statements for the Year Ended March 31, 2021

The carrying amount of the various exposure to foreign currency at the end of the reporting period are as follows: Rs. in Lakhs

Particulars	As at March 31, 2021 ( )			
	USD	EURO	GBP	SGD
External Commercial borrowings	- (901.45)	- -	- -	- -
Suppliers Credit/ Buyer's Credit	18,035.34 (8,269.32)	- -	- -	- -
Interest accrued but not due	37.18 (60.48)	- -	- -	- -
Vendors	1142.09 (27.53)	117.10 (120.91)	13.33 (12.38)	- -
Total liabilities	**19214.61** **(9,258.78)**	**117.10** **(120.91)**	**13.33** **(12.38)**	-
Trade Receivable	**-** **(-)**	**-** **(-)**	**-** **(-)**	**668.30** **(612.25)**

() Figures in round brackets indicate figures as on March 31, 2020

Derivative financial assets and liabilities dealing with outstanding derivative contracts and unhedged foreign currency exposure have been detailed in Para (d) above.

With all variables being kept constant, the sensitivity analysis resulting in profit or loss arising mainly from unhedged portion of USD denominated payables are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Payables:		
Weakening of INR by 5%	**64.32**	47.88

A 5% strengthening of INR would have an equal and opposite effect on the Company's financial statements.

Interest rate risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing from banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk. As of March 31, 2021, substantially all of the Company's borrowings were subject to floating interest rates, which are reset at short intervals. Considering the same, the carrying amount of said borrowings was considered to be at fair value.

Further there are deposits with banks which are for short term period are exposed to interest rate risk, falling due for renewal. These deposits are however generally for trade purposes as such do not cause material implication.

With all other variables being kept constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings:

(Rs. in lakhs)

Nature of Borrowing	Rate of interest (%)	For the year ended March 31, 2021	For the year ended March 31, 2020
Rupee Loan	Increase by 50 basis points	**81.59**	81.06

A decrease in 50 basis points in Rupee Loan would have an equal and opposite effect on the Company's financial statements.

Other Price Risk

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments.

Notes to Financial Statements for the Year Ended March 31, 2021

However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Major water infrastructure projects are Government funded or foreign aided and the risk involved in payment of default is minimum with respect to these customers. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and / or bank guarantee to mitigate its credit risk.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being largely relate to government orders. Of the trade receivables balance at the end of the year, three (March 31, 2020: One) customers are having outstanding balance of Rs. 8,995.47 lakhs (March 31, 2020: Rs. 23,945.00 lakhs) which accounts for more than 10% of the accounts receivable as at March 31, 2021. Further there is no single customer having more than 10% of revenue for the year ended March 31, 2021.

The Company establishes an allowance for impairment that represents its estimate of losses in respect of trade and other receivables. Receivables are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

The Company's current investments are valued with respect to underlying Net Asset Value as publicly notified as on the reporting date. These investments are diversified across various sectors and are periodically reviewed and managed in accordance with the company's policy and risk objective.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables which are past due at the end of the reporting period, no credit losses there against are expected to arise.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company relies on internal accruals and borrowings to meet its fund requirement. The current committed line of credits are sufficient to meet its short to medium term fund requirement.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date.

Interest rate and currency of borrowings

Particulars	Floating Rate Borrowings (Rs. in lakhs)	Weighted Average Interest Rate
INR	28,082.21 (52,432.15)	8.55%
USD	- (901.45)	6.22%

() Figures in round brackets indicate figures as on March 31, 2020

Notes to Financial Statements for the Year Ended March 31, 2021

Maturity Analysis of Financial Liabilities:

As on March 31, 2021

Rs. In lakhs

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 Year	Total
Borrowings INR	25,278.30	1,668.36	9,326.91	2,034.15	9,548.88	25,278.30
Bills Discounted	2,803.91	-	2,803.91	-	-	2,803.91
Operational Buyer's/ Supplier's Credit	18,035.34	-	16,931.56	1,103.78	-	18,035.34
Interest accrued but not due	70.79	-	70.79	-	-	70.79
Lease Liabilities	2,127.07	-	87.23	87.23	1,952.61	2,127.07
Other Financial liabilities	3,264.38	2,932.85	331.53	-	-	3,264.38
Trade Payables	11,029.94	11,029.94	-	-	-	11,029.94
Total	**62,609.73**	**15,631.15**	**29,551.73**	**3,225.16**	**11,501.49**	**62,609.73**

As on March 31, 2020

Rs. In lakhs

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 Year	Total
Borrowings INR	39,860.26	6,349.54	19,950.00	1,750.00	11,810.72	39,860.26
Bills Discounted	12,571.89	-	12,571.89	-	-	12,571.89
Borrowings USD	901.45	-	901.45	-	-	901.45
Operational Buyer's/ Supplier's Credit	8,269.32	-	8,269.32	-	-	8,269.32
Interest accrued but not due	232.83	-	232.83	-	-	232.83
Lease Liabilities	2,168.52	-	109.81	109.80	1,948.91	2,168.52
Other Financial liabilities	540.89	470.92	69.97	-	-	540.89
Trade Payables	12,735.87	12,735.87	-	-	-	12,735.87
Total	**77,281.03**	**19,556.33**	**42,105.27**	**1,859.80**	**13,759.63**	**77,281.03**

The Company has current financial assets which will be realized in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The Company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximize shareholder value. The Company's objective when managing capital is to safe-guard its ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The gearing ratios are as follows:

Rs. In lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	**28,082.51**	53,333.60
Less: Cash and Cash Equivalents	**11,582.52**	804.13
Net Debt	**16,499.99**	52,529.47
Equity	**1,44,029.52**	1,41,694.13
Equity and Net Debt	**1,60,529.51**	1,96,223.60
Gearing Ratio	**0.10**	0.27

Notes to Financial Statements for the Year Ended March 31, 2021

The company also manages its capital to meet financial covenants, if any attached to the borrowings. Non-compliances may result in levy of higher rate of interest on loans charged by the lenders. At present the company has generally complied with the financial covenants of the borrowings during the reported period.

40 Contingent Liabilities not provided for in respect of:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Guarantees given by banks on behalf of the Company.	657.44	603.06
b) Various show cause notices/ demands issued/ raised, which in the opinion of the management are not tenable and are pending with various forums / authorities:		
i) Sales Tax- Levy of tax on stock transfer, non-submission of forms etc.	2,033.04	1,985.46
ii) Central Goods and Services Tax Act- Disallowance of transitional credit on DI Pipes	35.97	35.97
iii) Excise, Custom Duty & Service Tax- Availment of Service Tax and other credit including Commission on Sales	362.69	312.85
iv) Entry Tax	257.12	-
v) Forest Development Fee (Note 3 below)	-	-
vi) Income Tax	-	37.72

Note:

1) The Company's pending litigations comprises of claim against the company and proceedings pending with Taxation/ Statutory/ Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed contingent liabilities, where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows, if any, in respect of (b) above is dependent upon the outcome of judgments / decisions.

2) The Company has other disputes concerning direct and indirect taxes in appeals other than as disclosed above and certain litigations in respect of land. Based on the facts of each dispute / litigation and opinion of the management including the advice of legal advisors and also considering that the cases have already been decided in favour of the Company, even though the respective departments have preferred a further appeal to higher authorities against the said orders, these have not been disclosed as contingent liabilities as the outcome of the said disputes / litigations is not expected to have adverse material impact that would affect the financial position or operations of the Company.

3) The matter related to Forest Department fee has been decided in favour of the company by the Hon'ble High Court of Karnataka. However, the Government of Karnataka has filed a Special Leave Petition before the Hon'ble Supreme Court and the matter is pending thereof.

41. Commitments:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	2,793.23	4,036.63
b) Derivative Contracts		
Forward Contract Outstanding in USD	137.29	72.37
Option in USD	130.58	63.05
Cash Flow Hedge	-	3.31
Interest Rate Swap	-	8.61

Notes to Financial Statements for the Year Ended March 31, 2021

42. Disclosure of Trade Payables as required under section 22 of "Micro, Small and Medium Enterprises Development Act, 2006" based on the confirmation and information available with the company regarding the status of the suppliers.

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid but not due as at year end	2,554.79	44.86
Interest amount remaining unpaid but not due as at year end	Nil	Nil
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
Interest accrued and remaining unpaid as at year end	Nil	Nil
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

43. The project undertaken by the company for expansion of production capacity of MBF and DIP from 3,00,000 TPA to 4,00,000 TPA was in progress and Rs. 17,237.12 lakhs (including Rs. 13,200.08 lakhs incurred during the year) so far incurred has been carried forward under capital work in progress. Capital work in progress includes Rs. 17,016.32 Lakhs (March 31, 2020: Rs. 3,991.94 lakhs), in respect of plant and equipment and other facilities to be installed and following development expenditure incurred during construction which will be allocated to respective Property, Plant and Equipment (PPE) consequently on completion thereof. The details of Development Expenditure are as follows:

Rs. in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
As per last Balance Sheet	**45.10**	**115.39**
Interest and Finance Charges	**175.70**	**290.05**
Less: Interest Income on Fixed Deposit	-	(166.55)
Capitalised with Property, Plant and Equipment	-	(283.99)
Total Development Expenditure	**220.80**	**45.10**

44. Post Retirement Employee Benefits

The disclosures required under Ind AS 19 "Employee Benefits", are given below: -

a) Defined Contribution Plan

The Company makes contributions to Provident Fund and Pension Scheme for eligible employees. Under the schemes, the Company is required to contribute a specified percentage/fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the respective fund set up by the government authority. Contributions towards provident funds are recognised as an expense for the year. Both the employees and the Company make monthly contributions to the Funds at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment.

Notes to Financial Statements for the Year Ended March 31, 2021

Contribution to Defined Contribution Plan, recognized for the year are as under:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	244.21	151.82
Employer's Contribution to Pension Fund	141.41	141.06

b) Post Employment Defined Benefit Plans:

The Post Employment defined benefit scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on independent actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Details of such fund are as follows:

The Company's gratuity scheme, a defined benefit plan is as per the Payment of Gratuity Act, 1972, covers the eligible employees and is administered through certain gratuity fund trusts. Such gratuity funds, whose investments are managed by insurance companies, make payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment, of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service. The amount of gratuity payable is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The following tables set forth the particulars in respect of aforesaid Defined Benefit plans of the Company for the year ended March 31, 2021 and corresponding figures for the previous year:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Changes in present value of defined benefit obligations		
Liability at the beginning of the year	1,304.69	1,184.40
Interest Cost	89.82	78.39
Current Service Cost	99.18	97.29
Actuarial (gain) / loss on obligations	(74.99)	24.86
Benefits paid	(72.19)	(80.25)
Liability at the end of the year	**1,346.51**	**1,304.69**
Changes in the Fair Value of Plan Asset		
Fair value of Plan Assets at the beginning of the year	1,217.94	1,115.70
Expected Return on Plan Assets	87.81	77.07
Contributions by the Company	116.74	99.19
Benefits paid	(72.19)	(80.25)
Actuarial gain / (loss) on Plan Assets	(90.90)	6.23
Fair value of Plan Assets at the end of the year	**1,259.40**	**1,217.94**
Actual return on Plan Asset		
Expected return on Plan assets	87.81	77.08
Actuarial gain / (loss) on Plan Assets	(90.90)	6.23
Actual Return on Plan Assets	**(3.09)**	**83.31**

Notes to Financial Statements for the Year Ended March 31, 2021

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Amount Recognized in Balance Sheet		
Liability at the end of the year	1,346.51	1,304.69
Fair value of Plan Assets at the end of the year	1,259.40	1,217.94
Net Liability/ (Asset)	**87.11**	**86.75**
Components of Defined Benefit Cost		
Current Service Cost	99.18	97.29
Interest Cost	89.82	78.39
Expected Return on Plan Assets	(87.81)	(77.07)
Total Defined Benefit Cost recognised in Profit and Loss	**101.19**	**98.61**
Remeasurements recognised in Other Comprehensive Income		
Remeasurements - Due to Financial Assumptions	(57.85)	(90.88)
Remeasurements - Due to Experience Adjustments	(17.13)	115.74
Remeasurements- Return on Assets	90.90	(6.23)
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements recognised in Other Comprehensive Income	**15.91**	**18.63**
Balance Sheet Reconciliation		
Opening Net Liability	86.75	68.70
Expenses as above	117.10	117.24
Employers Contribution	(116.74)	(99.19)
Amount Recognized in Balance Sheet	**87.11**	**86.75**
Percentage allocation of plan assets in respect of fund managed by insurer is as follows:		
Fund managed by Insurer	**100.00%**	**100.00%**

The Principal actuarial assumptions as at the Balance Sheet date are set out as below:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Summary of Financial Assumptions		
Discount Rate	7.08%	6.85%
Future Salary Increase	6.52%	6.00%
Salary Escalation- After Five Years	5.50%	6.00%
Expected Return on Plan Assets	7.08%	6.85%
Summary of Demographic Assumptions		
Mortality Rate [as % of IALM (2012-14) (Mod.) Ult. Mortality Table]	100.00%	100.00%
Disability Table (as % of above mortality rate)	5.00%	5.00%
Withdrawal Rate	5.00%	5.00%
Retirement Age	58 years	60 years
Average Future Service	16.61	17.01
Weighted Average Duration	10.82	13.41

Other Long Term Employee benefits

Compensated absences

The obligation for compensated absences is determined in the same manner as gratuity and is recognised in the Statement of Profit and Loss. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the Company as at March 31, 2021 is given below:

Notes to Financial Statements for the Year Ended March 31, 2021

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Privileged Leave	**690.31**	**653.22**
Sick Leave	**173.31**	**144.01**

Notes:

i) Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.

Recognised in Other Comprehensive Income

Rs. in lakhs

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	
For the year ended March 31, 2021	15.91
For the year ended March 31, 2020	18.63

Risk analysis

Through it's defined benefit plans, the Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

a. Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India and the company does not have any liberty to manage the fund provided to them. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit

b. Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

c. Longevity risk / Life expectancy

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

d. Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Sensitivity Analysis

Rs. in lakhs

Particulars	Change in Assumption	Effect in Gratuity Obligation
For the year ended March 31, 2021		
Discount Rate	+1%	(79.30)
	-1%	89.63
Salary Growth Rate	+1%	87.85
	-1%	(78.99)
Withdrawal Rate	+1%	4.33
	-1%	(4.73)
For the year ended March 31, 2020		
Discount Rate	+1%	(102.30)
	-1%	118.04
Salary Growth Rate	+1%	117.22
	-1%	(103.23)
Withdrawal Rate	+1%	1.13
	-1%	(1.14)

Notes to Financial Statements for the Year Ended March 31, 2020

The above sensitivity analysis is 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 (projected unit credit method) has been applied as and when calculating the defined benefit obligation recognised within the Balance Sheet. The methods and type of assumption used in preparing the sensitivity analysis did not change compared to the prior period.

History of experience adjustments is as follows:

Rs. in Lakhs

Particulars	Gratuity
For the year ended March 31, 2021	
Plan Liabilities - (loss)/gain	74.99
Plan Assets - (loss)/gain	(90.90)
For the year ended March 31, 2020	
Plan Liabilities - (loss)/gain	(24.86)
Plan Assets - (loss)/gain	6.22

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	Gratuity
April 01, 2021 to March 31, 2022	114.70
April 01, 2022 to March 31, 2023	121.81
April 01, 2023 to March 31, 2024	141.73
April 01, 2024 to March 31, 2025	99.88
April 01, 2025 to March 31, 2026	93.15
April 01, 2026 onwards	1,775.66

Average No. of employees:

Particulars	As at March 31, 2021	As at March 31, 2020
Average no. of people employed	1,364	1,349

45. Segment Reporting:

The Company operates mainly in one business segment viz. Pipes being primary segment and all other activities revolve around the main activity.

46. The company opted for continuing accounting policy of capitalizing the exchange difference arising on reporting of long-term foreign currency monetary items in accordance with Ind AS 101 "First time adoption of Indian Accounting Standards". Accordingly, during the year ended March 31, 2021 the net exchange difference loss/(Gain) of Rs. Nil (March 31, 2020: Rs. 161.53 lakhs Loss) on foreign currency loans have been adjusted in the carrying amount of fixed assets. The un-amortised balance in this respect is Rs. 2,861.48 lakhs (March 31, 2020: Rs. 3,243.97 lakhs) stands included under cost of respective plant and machinery.

47. Related party disclosure as identified by the management in accordance with the Ind AS 24 on 'Related Party Disclosures' are as follows:

Notes to Financial Statements for the Year Ended March 31, 2021

Name of the Related Parties with whom transactions were carried out during the year and description of relationship:

a. Key Management Personnel & their relatives (KMP):

i. Shri. Raj Kumar Khanna, Chairman
ii. Shri. Mayank Kejriwal, Managing Director
iii. Shri. G. S. Rathi, Whole Time Director
iv. Shri V. Poyyamozhi, Whole Time Director (Ceased to be director w.e.f. February 03, 2020)
v. Smt. S. Hemamalini, Director (Ceased to be a director w.e.f. September 10, 2020)
vi. Smt. Priya Manjari Todi, Director
vii. Shri T. Venkatesan, Director
viii. Dr. Mohua Banerjee, Director (Appointed as director w.e.f November 16, 2020)
ix. Shri Ashutosh Agarwal, Director
x. Shri XJJ Abraham, Independent Director (Ceased to be a director w.e.f. September 09, 2020)
xi. Shri S. N. Goswami, Chief Executive Officer (Appointed w.e.f August 06, 2020)
xii. Shri N. Sivalai Senthilnathan, Chief Financial Officer
xiii. Shri M. Satyanarayana, Nominee Director of APIDC
xiv. Smt. Madhu Agarwal, Relative of Director
xv. Shri. Apoorva Agarwal, Relative of Director

b. Company under common control

i. Electrosteel Castings Limited

c. Enterprise where KMP and/or Close member of the family have significant influence or control

i. Amit Trexim Private Limited
ii. Global Exports Limited

Rs. in Lakhs

DESCRIPTION	KMP	Companies under Common Control	Enterprise where KMP and/or Close member of the family have significant influence or control	Outstanding As at March 31, 2021	Outstanding As at March 31, 2020
Sales:					
Electrosteel Castings Limited	-	12,437.39	-	-	-
	-	(12,794.13)	(-)	3484.53	3651.18
Purchase of Licences					
Electrosteel Castings Limited	-	383.46	-	-	-
	-	(-)	(-)	-	-
Purchase of Materials:					
Electrosteel Castings Limited	-	890.15	-	-	-
	-	(1,856.43)	-	-	-
Remuneration/Commission/ Sitting Fees					
Shri. R K Khanna	14.80	-	-	-	-
	(11.45)	-	-	6.00	6.00
Shri. Mayank Kejriwal	720.00	-	-	-	-
	(1,190.00)	-	-	720.00	1,190.00
Shri. G. S. Rathi	190.61	-	-	-	-
	(208.65)	-	-	30.00	30.00
Shri. V Poyyamozhi	-	-	-	-	-
	(125.74)	-	-	-	-

Notes to Financial Statements for the Year Ended March 31, 2021

Rs. in Lakhs

DESCRIPTION	KMP	Companies under Common Control	Enterprise where KMP and/or Close member of the family have significant influence or control	Outstanding As at March 31, 2021	Outstanding As at March 31, 2020
Smt. S. Hemamalini	2.20	-	-	-	-
	(9.10)	-	-	-	6.00
Smt. Priya Manjari Todi	114.65	-	-	-	
	(87.00)	-		110.00	85.00
Shri T. Venkatesan	14.20	-	-	-	-
	(9.95)	-		6.00	6.00
Shri Ashutosh Agarwal	12.70	-	-		
	(9.85)	-	-	6.00	6.00
Shri M. Satyanarayana	4.05	-	-	-	-
	(0.45)	-	-	-	-
Shri. XJJ Abraham	2.70	-	-	-	-
	(8.25)	-	-	-	6.00
Dr. Mohua Banerjee	7.35	-		6.00	-
	-	-	-	-	-
Shri. S N Goswami	63.92	-	-	-	-
	-	-			
Shri N. Sivalai Senthilnathan	63.75	-	-	-	-
	(68.65)	-	-	-	-
Professional Services					
Shri. R K Khanna	42.48	-	-	-	
	(56.64)	-			
Shri Ashutosh Agarwal	-	-	-	-	-
	(15.00)	-			
Shri Apoorva Agarwal	17.00	-	-	-	-
	-	-			
Smt. Madhu Agarwal	17.00	-	-	-	-
	(15.00)	-	-	-	-
Rent paid:					
Amit Trexim Private Limited	-	-	7.82	-	-
	-	-	(7.19)	-	-
Global Exports Limited	-	-	26.87	-	-
	-	-	(25.11)	-	-
Reimbursement of Expenses:					
Electrosteel Castings Limited	-	2.14	-	-	-
	-	-	-	-	-
Shri Apoorva Agarwal	200.00	-	-	-	-
	-	-	-	-	-
Smt. Madhu Agarwal	200.00	-	-	-	-
	-	-	-	-	-
Interest received/receivable					
Electrosteel Castings Limited	-	563.38	-	-	-
	-	(380.46)	-	-	-

Notes to Financial Statements for the Year Ended March 31, 2021

Rs. in Lakhs

DESCRIPTION	KMP	Companies under Common Control	Enterprise where KMP and/or Close member of the family have significant influence or control	Outstanding As at March 31, 2021	Outstanding As at March 31, 2020
Advances against Supply					
Electrosteel Castings Limited	-	7,000.00	-	7,000.00	2274.52
	-	(2,500.00)	-	-	-
Security Deposits					
Amit Trexim Private Limited	-	-	-	3.00	3.00
Global Exports Limited	-	-	-	15.00	15.00

() figures in round bracket indicate figures as on March 31, 2020.

The remuneration of directors and other members of key management personnel during the year was as follows:

(Rs. in lakhs)

Period	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term employee benefits	1,021.90	1,677.80
Post-employment benefits	16.38	12.24
Other long-term benefits	-	-

Note:

1. The above related party information is as identified by the management and relied upon by the auditor.
2. All transactions from related parties are made in ordinary course of business. For the year ended March 31 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year by reviewing the financial position of the related party and the market in which the related party operates.
3. In respect of above parties, there is no provision for doubtful debts as on March 31, 2021 and no amount has been written back or written off during the year in respect of debts due from/ to them.
4. Post-Employee benefits and other long-term employee benefits have been disclosed/paid on retirement/resignation of services but does not include provision made on actuarial basis as the same is available for all the employees together.

48. DISCLOSURE AS PER IND AS 116

(i) Following are the changes in the carrying value of right of use assets (ROU):

(Rs. in lakhs)

Particulars	Land	Non-Factory Buildings	Plant and Equipments	Total
As at April 1, 2020	105.57	61.57	1,987.07	2,154.21
Addition	22.32	95.01	-	117.33
Deletion	-	-	-	-
Depreciation	3.97	71.89	172.79	248.65
As at March 31, 2021	**123.92**	**84.69**	**1,814.28**	**2,022.89**

Notes to Financial Statements for the Year Ended March 31, 2021

(ii) The following is the break-up of current and non-current lease liabilities:

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	174.47	219.61
Non-current lease liabilities	1,952.60	1,948.91
Total	**2,127.07**	**2,168.52**

(iii) The following is the movement in lease liabilities:

Particulars	As at March 31, 2021	As at March 31, 2020
As at April 01, 2020	2,168.52	2,238.65
Additions	117.33	108.49
Finance cost accrued during the period	200.15	183.94
Deletions	-	-
Payment of lease liabilities	358.93	362.56
As at March 31, 2021	**2,127.07**	**2,168.52**

(iv) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one year	381.03	291.76
Later than one year and not more than five years	1,298.36	1,167.04
Later than five years	2,276.24	2,127.31

(v) Further to above, the Company has certain operating lease arrangements for office, transit houses, etc. on short-term leases. Expenditure incurred on account of rental payments under such leases during the year and recognized in the Profit and Loss account amounts to Rs. 46.96 lakhs (March 31, 2020: Rs. 20.53 lakhs).

49. Earnings Per Share (EPS):

Particulars	As at March 31, 2021	As at March 31, 2020
Net profit after taxes as per Statement of Profit and Loss (Rs. in lakhs)	**10,365.23**	**18,767.63**
Weighted average number of equity shares for basic EPS and diluted EPS (Face value Rs.10/- per equity share)	4,66,98,400	4,66,98,400
Earnings Per Share: Basic and Diluted EPS (in Rs.)	**22.20**	**40.19**

Notes to Financial Statements for the Year Ended March 31, 2021

50. The outbreak of COVID'19 pandemic has caused slow-down in economic activity having impact in operations and revenue of the company since activities were resumed from first week of May 2020 and could be stabilised during the first quarter of the year. The Company has reviewed and considered the impact upto the date of approval of these financial statements based on internal and external information's and related estimates and assumptions and no adjustments in the carrying value of current and non-current assets and liabilities as on March 31, 2021 are expected to arise.

51. In terms of the resolution dated October 05, 2020 of the Board of Directors, the company is proposed to be amalgamated with Electrosteel Castings Limited (ECL) with effect from October 01, 2020 and necessary scheme in this respect ('the Scheme') on receipt of approval from stock exchanges etc. has been filed with Hon'ble National Company Law Tribunal ('NCLT'). Pending order of NCLT approving the Scheme and filing the Scheme thereafter with relevant authorities, the effect of the same has not been given in these financial results.

52. Operational Buyers' Credit and Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate ranging from 2.5% to 4% per annum. These trade credits are largely repayable within 180 days from the date of draw down. Operational Buyer's credit availed in foreign currency is backed by Standby Letter of Credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company.

53. Previous year figures have been re-grouped / re-arranged wherever necessary.

54. These financial statements have been approved by the Board of Directors of the Company on May 04, 2021, for issue to the shareholders for their adoption.

As per our report of even date

For and on behalf of the Board of Directors

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

R. K. Khanna
Chairman
DIN: 05180042

G. S. Rathi
Whole Time Director
DIN: 00083992

S N Goswami
Chief Executive Officer

R. P. Singh
Partner
Membership No. 052438

N. Sivalai Senthilnathan
Chief Financial Officer

G. Kodanda Pani
Company Secretary

Place: Chennai,
Date: May 04, 2021

SRIKALAHASTHI PIPES LIMITED

Regd. Office: Rachagunneri – 517641, Srikalahasthi Mandal, Chittoor District, A.P. India
Website : www.srikalahasthipipes.com, E-mail : companysecretary@srikalahasthipipes.com
CIN : L74999AP1991PLC013391 Phone: 08578-286650 – 655; Fax: 08578-286688

N O T I C E

NOTICE is hereby given that Twenty Ninth Annual General Meeting of Srikalahasthi Pipes Limited will be held on Monday the 9th August, 2021 at 11.30 AM through Video Conferencing/Other Audio Visual Means ('VC' /'OAVM') to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the audited Financial Statements, including Balance Sheet as at 31st March, 2021 and Profit & Loss Account for the year ended as on that date, together with the Auditors' Report and Directors' Report thereon.**
2. **To declare Dividend of Rs.6 (i.e.60%) per share on the Equity Shares of the Company for the Financial Year ended 31st March, 2021.**
3. **To re-appoint Mr Ashutosh Agarwal (DIN: 00115092), Director, who retires by rotation and being eligible, offers himself for re-appointment as a Director of the Company.**

SPECIAL BUSINESS :

4. **Ratification of Cost Auditors' Remuneration**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) of enactment thereof, for the time being in force] and other applicable provisions, as may be applicable for the time being, the Company hereby ratifies the remuneration of Rs.1,80,000, plus applicable taxes and out of pocket expenses at actual, payable to M/s. Narasimhamurthy & Co., a firm of Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

5. **To approve appointment of Dr. Mohua Banerjee (DIN: 08350348) as a Director of the Company:**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof, for the time being in force] Dr. Mohua Banerjee (DIN: 08350348) who has been appointed by the Board of Directors as Additional Director of the Company and who holds office as such up to the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and things as may be necessary to give effect to this resolution."

6. **To approve appointment of Dr. Mohua Banerjee (DIN: 08350348) as an Independent Director of the Company for a term of five years:**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

" RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force] and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Mohua Banerjee (DIN: 08350348), a non-executive Director of the Company, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company, for a term of

five consecutive years, with effect from 16th November, 2020, and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013, and to receive remuneration by way of fees, reimbursement of expenses for participation in the meetings of the Board and/or Committees and profit related commission and by such other means, if any, as may be allowed in terms of applicable provisions of the Companies Act, 2013, as determined by the Board from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and things as may be necessary to give effect to this resolution."

7. To approve remuneration/commission payable to Mrs Priya Manjari Todi (DIN: 01863690) for the Financial Year 2020-21:

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT, in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the remuneration/commission of Rs.1,10,00,000 payable to Mrs Priya Manjari Todi, Non-executive Director, for the Financial Year 2020-21 be and is hereby approved."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and things as may be necessary to give effect to this resolution."

By Order of the Board
For Srikalahasthi Pipes Limited

Place:Chennai.
Dated: 4th May, 2021

G. Kodanda Pani
Company Secretary

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, read with Circular No. 02/2021 dated January 13, 2021 and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "Circulars"), physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The Board of Directors has considered the Item Nos. 4 to 7 of the Notice as unavoidable items of Special Business and has, hence, proposed the same to be transacted at the AGM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business as set out in the Notice and intimation required to be furnished as per Regulation 36 of the Listing Regulations are annexed hereto.
8. In compliance with the Circulars issued by Ministry of Corporate Affairs, the Annual Report for the FY 2020-21, the Notice of the AGM and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
9. Members may also note that the Notice of the 29th AGM and the Annual Report 2020-21 will also be made available on the

Company's website at www.srikalahasthipipes.com, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com respectively.

10. The register of members and the Share Transfer Books of the Company shall remain closed from 3rd August, 2021 to 9th August, 2021 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend for the FY 2020-21. The cut-off date for determining voting rights for e-voting on resolutions that will be listed for Annual General Meeting will be 2nd August, 2021.
11. Dividend in respect of equity shares for the financial year ended 31st March, 2021, as recommended by the Board, if approved by the members will be paid within a period of 30 days from the date of declaration of dividend to the beneficial owners of shares whose names appear in the Register of members of the Company as on the closing of business hours on 2nd August, 2021 as per the information furnished to the Company by Depositories for this purpose.
12. Members are requested to furnish their Bank Account details, change of address etc., to the Registrar and Share Transfer Agents in respect of shares held in physical form. If the shares are held in electronic form, then the said particulars should be furnished to their respective Depository Participants (DPs).
13. a) Members holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their DPs. In the absence of availability of NECS/ECS facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations and the warrants will be sent out to their registered addresses.

    b) Members are requested to send their Bank Account particulars (viz. Account No., Name & Branch of the Bank and the MICR Code) to their DPs in case the shares are held in electronic mode or to the Registrar and Share Transfer Agents in case the shares are held in physical mode for printing on dividend warrant to ensure that there is no fraudulent encashment of the warrants.

12.Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct applicable tax at source (TDS) at the time of making the payment of dividend. In order to enable the Company to determine the appropriate TDS rate as applicable, members will be requested to submit certain documents in accordance with the provisions of the IT Act. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed Rs. 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act.

14. Equity Shares of the Company fall under the category of compulsory de-mat trading by all investors. Considering the advantages of paperless trading, shareholders are requested to consider dematerialization of their shareholding so as to avoid inconvenience.
15. Members who have not received their dividend paid by the Company in respect of earlier years are requested to check with the Company's Registrar & Transfer Agent – Cameo Corporate Services Limited #1, Club House Road, Chennai 600 002 Ph: 044-40020718 (Direct) / 28460390 (Gen). Members are requested to note that in terms of Section 124 (2) of the Companies Act, 2013, dividend declared by the Company, for earlier years, which remain unclaimed for a period of 7 years from the date when it first became due for payment will be transferred by the Company to a fund called "Investor Education and Protection Fund" (IEPF), set up by the Central Government. Accordingly, the unpaid/unclaimed dividend for the financial years 2013-14 and onwards, if any, will become transferable at the end of seven years from the respective dates of transfer of such amount to the unclaimed dividend accounts of the Company to IEPF and thereafter, no claim shall be entertained in respect of the dividend transferred to the Fund. The details of unclaimed dividend transferable to the said Fund are given below:

Year	Dividend per share (RS)	Date of declaration	Proposed date of transfer to IEPF account
2013-14	1.50	27.09.2014	26.10.2021
2014-15	3.00	24.08.2015	23.09.2022
2015-16	5.00	29.08.2016	28.09.2023
2016-17	6.00	27.09.2017	26.10.2024
2017-18	6.00	19.09.2018	18.10.2025
2018-19	6.00	06.09.2019	05.10.2026
2019-20	7.00	27.07.2020	26.08.2027

Members who have not encashed their dividend warrants in respect of the above period are requested to make their claim(s) by surrendering the un-encashed warrants immediately to the Company/Registrar.

16. Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company will provide/host the required details of unclaimed amounts referred under Section 124 (2) of the Companies Act, 2013 on its website and also in the website of the Ministry of Corporate Affairs (MCA) in the relevant form every year.

17. Members desirous of getting any information in respect of the Accounts of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach at least 10 days before the date of the meeting so that the required information can be made available.
18. **Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.**
19. Members are requested to give us their valuable suggestions for improvement of our investor services.
20. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Act, can send an e-mail to companysecretary@srikalahasthipipes.com.
21. Members who wish to inspect any documents referred to in the accompanying Notice and the Explanatory Statement, up to and including the date of the AGM of the Company, can send an e-mail to companysecretary@srikalahasthipipes.com.
22. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized E-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
23. The remote e-voting period begins on 6th August, 2021 at 9.00 A.M., IST and ends on 8th August, 2021 at 5.00 P.M., IST. The remote e-voting module shall be disabled by CDSL for voting, thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the cut-off date, i.e., 2nd August, 2021, may cast their vote(s), electronically.
24. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM through VC but shall not be entitled to cast their votes again. However, the facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting shall be eligible to vote through the e-voting system during the AGM. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
25. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at companysecretary@srikalahasthipipes.com.or at investor@cameoindia.com. However, if he / she is already registered with CDSL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
26. The voting rights of Members shall be in proportion to their shares in the Paid-up Equity Share Capital of the Company, as on the cut-off date being 2nd day of August, 2021.
27. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.srikalahasthipipes.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
28. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting by use of e-voting for all those Members who are present during the AGM but have not cast their votes by availing the remote e-voting facility.
29. The Board has appointed Mr S. Chidambaram, Practicing Company Secretary as the Scrutinizer to scrutinize the remote e-voting and the voting through e-voting system during the AGM in a fair and transparent manner. The Scrutinizer will submit his report to the Company after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges and will also be displayed on the Company's website www.srikalahasthipipes.com, Notice Board(s) of the Company at its Registered Office as well as Corporate Office and on the website of CDSL immediately after the declaration of Result by the Chairman or a person authorised by him in writing.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

(i) The voting period begins on 6th August, 2021 at 9.00 AM IST and ends on 8th August, 2021 at 5.00 PM IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates

registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b . For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary@srikalahasthipipes.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@srikalahasthipipes.com. The shareholders who do not wish to speak during

the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@srikalahasthipipes.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

ANNEXURE TO THE NOTICE

(EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Item No.4:

The Board of Directors, on the recommendation of Audit Committee, has approved the appointment of M/s. Narasimhamurthy & Co., a firm of Cost Accountants, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022 at a remuneration of Rs.1,80,000 (Rs. One Lakh Eighty Thousand only) plus applicable taxes and reimbursement of out of pockets expenses at actual.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read together with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out in Item No. 4 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2022.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No.4 of the Notice above by way of ordinary resolution.

None of the Directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No.4 of the Notice.

Item No.5:

Based on the recommendation of the Nomination & Remuneration Committee, Dr Mohua Banerjee was appointed as an Additional Director on the Board of the Company with effect from 16th November, 2020 to hold office upto the date of this Annual General Meeting.

Dr Mohua Banerjee, aged 49 years, is Professor- Marketing, Dean - Placements, Corporate & Alumni Relations, International Management Institute Kolkata (RP Sanjiv Goenka Group). She completed her M.Com and Ph.D. from the University of Calcutta. She has over fourteen years of teaching experience and teaches courses on Marketing Communication in India. She is a visiting faculty in National and Foreign Universities. She also serves as an independent director in the Board of Electrosteel Castings Limited.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") from a Member signifying his intention to propose the appointment of Dr Mohua Banerjee as a Director of the Company.

The Company has received from Dr. Mohua Banerjee, (i) consent in writing to act as Director in Form DIR-2 pursuant to Section 152 of the Act, read with Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified in accordance with sub-section (2) of Section 164 of the Act; and (iii) declaration that she is not debarred from holding or continuing the office of director pursuant to any order of the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such authority.

Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of her qualifications, experience and other attributes, that her induction on the Board would be of immense benefit to the Company and it is desirable to avail her services as a director to strengthen the Board of the Company.

In terms of Regulation 36 of the Listing Regulations, 2015 and as per Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), a brief profile of Dr Mohua Banerjee, who is proposed to be appointed as Director in this meeting in terms of the applicable provisions of the Act, 2013, nature of her expertise in specific functional areas, other directorships and committee membership, and other requisite details are at the end of the explanatory statement.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No.5 of the Notice above by way of ordinary resolution.

Except Dr. Mohua Banerjee and her relatives, none of the Directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No.5 of the Notice.

Item No.6:

The Board of Directors, based on the recommendation of the Nomination & Remuneration Committee appointed Dr. Mohua Banerjee as Independent Director on the Board of the Company with effect from 16th November, 2020 to hold office for a period of five consecutive years. The Nomination and Remuneration Committee and the Board of Directors consider that, given the background and experience of Dr Mohua Banerjee, it would be beneficial to the Company to avail her services as an Independent Director. The Board of Directors, therefore, has recommended appointment of Dr Mohua Banerjee as an Independent Director with effect from 16th November, 2020, for a term of five consecutive years.

Dr.Mohua Banerjee, aged 49 years, is Professor- Marketing, Dean - Placements, Corporate & Alumni Relations, International Management Institute Kolkata (RP Sanjiv Goenka Group). She completed her M.Com and Ph.D. from the University of Calcutta. She has over fourteen years of teaching experience and teaches courses on Marketing Communication in India. She is a visiting faculty in National and Foreign Universities. She also serves as an independent director in the Board of Electrosteel Castings Limited.

The Company has received from Dr. Mohua Banerjee, (i) consent in writing to act as Director in Form DIR-2 pursuant to Section 152 of the Act, read with Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified in accordance with sub-section (2) of Section 164 of the Act; and (iii) declaration that she is not debarred from holding or continuing the office of director pursuant to any order of the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such authority.

A Declaration has been received from Dr.Banerjee that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations, 2015. In the opinion of the Board, Dr Banerjee fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations, 2015 for appointment as an Independent Director and that she is independent of the management of the Company. In terms of Regulation 25(8) of Listing Regulations, Dr. Banerjee has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. In addition to sitting fees for attending the meetings of the Board and its Committees, Dr Banerjee would be entitled to remuneration by way of commission as may be determined by the Board.

In terms of Regulation 36 of the Listing Regulations, 2015 and as per Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), a brief profile of Dr. Mohua Banerjee, who is proposed to be appointed as Independent Director in this meeting for a term of five years in terms of the applicable provisions of the Act, 2013, nature of her expertise in specific functional areas, other directorships and committee membership, and other requisite details are at the end of the explanatory statement.

Copy of draft letter of appointment of Dr Mohua Banerjee setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company up to the date of Annual General Meeting of the Company.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No.6 of the Notice above by way of an ordinary resolution.

Except Dr.Mohua Banerjee and her relatives, none of the other directors or key managerial personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No.6 of the Notice.

Item No.7:

The Board, based on the recommendation of Nomination and Remuneration Committee has approved payment of commission/ remuneration of Rs.1,10,00,000 to Mrs Priya Manjari Todi for the FY 2020-21, taking into account her enlarged role in providing guidance to the management of the Company and considering her active participation in the strategic decision making of the Company.

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required every year, if the remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. Approval of members is therefore sought for the remuneration payable to Mrs Priya Manjari Todi for the FY 2020-21.

In terms of Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), a brief profile, nature of her expertise in specific functional areas, other directorships and committee membership, and other requisite details in respect of Mrs Priya Manjari Todi are at the end of the explanatory statement.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No.7 of the Notice above by way of special resolution.

Except Mrs Priya Manjari Todi and Mr Mayank Kejriwal, Managing Director, being her father, and her other relatives, none of the other directors or key managerial personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution as set out in Item No.7 of the Notice.

By Order of the Board
For Srikalahasthi Pipes Limited

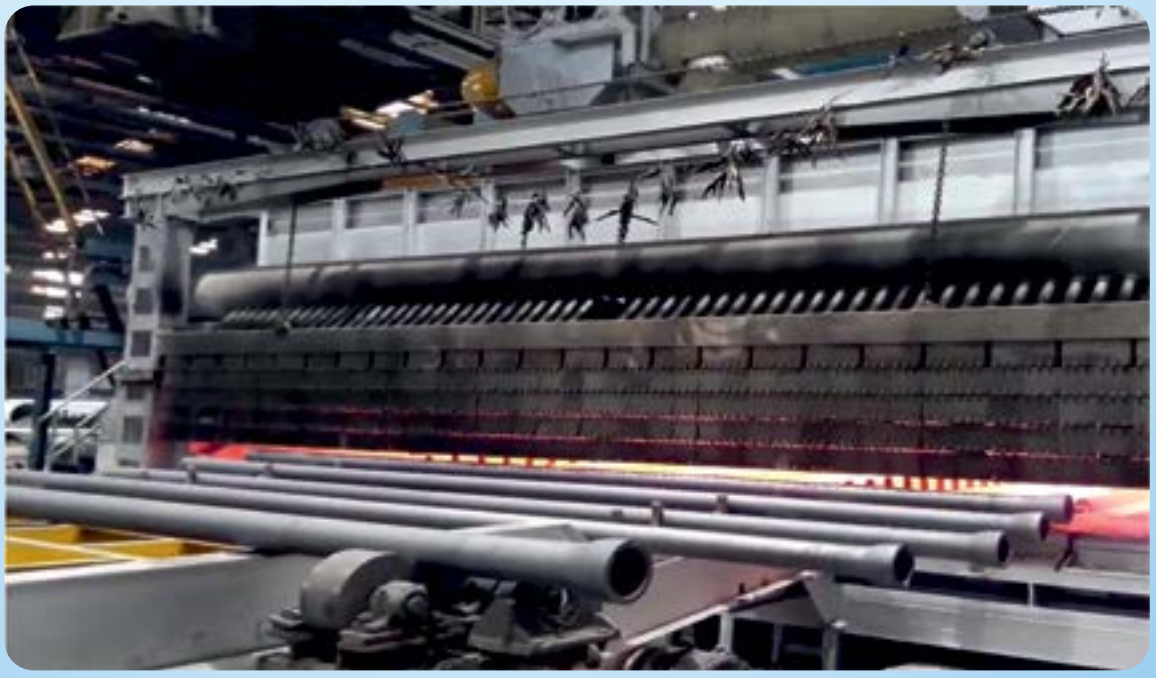
G. Kodanda Pani
Company Secretary

Place: Chennai.
Dated: 4th May, 2021

Intimation required to be furnished as per Regulation 26 and 36 of the Listing Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2) are provided below:

Name of Director(s)	Mr Ashutosh Agarwal (1)	Dr Mohua Banerjee (2)	Mrs Priya Manjari Todi (3)
Date of Birth	18th July,1965	24th August,1970	29th November, 1980
DIN	00115092	08350348	01863690
Date of 1st appointment on the Board	30th July, 2018	16th November, 2020	31st January, 2018
Brief Resume including qualification	He is a Member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. Completed his CS (Inter) from the Institute of Company Secretaries of India. He has more than 30 years (post qualification) experience in the fields of Finance, Accounts, Corporate affairs and Commercial matters. He is currently CFO of ECL, looking after all the financial matters of the Electrosteel Group.	She is M.Com and Ph.D. from the University of Calcutta. She is a Professor- Marketing, Dean - Placements, Corporate & Alumni Relations, International Management Institute Kolkata (RP Sanjiv Goenka Group). She has over fourteen years of teaching experience and teaches courses on Marketing Communication in India. She is a visiting faculty in National and Foreign Universities. She also serves as an independent director in the Board of Electrosteel Castings Limited.	She is B.Com (Hons.) and did Bachelor in Information Technology from Manipal University. Ms Priya Manjari belongs to a reputable business/industrial family and her father, Mr. Mayank Kejriwal is the Joint Managing Director of Electrosteel Castings Ltd, the pioneer of D.I. Pipe manufacturing in India. She is the promoter of Joolz Creations Pvt. Ltd. – a precious and semi precious Jewellery manufacturing firm and has 15 years experience in the field. Presently she is working in Electrosteel Castings Ltd and has considerable exposure in various fields of day to day operations of manufacturing, purchase, marketing and export.
Experience (including nature of expertise in specific functional area)	He has experience of more than three decades in the fields of Finance, Accounts, Corporate affairs and Commercial matters.	She has over fourteen years of teaching experience and teaches courses on Marketing Communication in India.	She has experience of more than 15 years in the fields of manufacturing, purchase, marketing and expertise in business strategy and general management.
Terms and conditions of reappointment	Liable to retire by rotation	As mentioned in Resolution at Item No. 6 of the Notice convening the Meeting, read together with the Explanatory Statement annexed thereto	Liable to retire by rotation
Details of remuneration sought to be paid	Remuneration may be paid by way of sitting fees and/or commission on the net profits of the Company as approved by the Board from time to time.	Remuneration may be paid by way of sitting fees and/or commission on the net profits of the Company as approved by the Board from time to time.	Commission of Rs.1,10,00,000 payable for the FY 2020-21 as approved by the Board.
Remuneration last drawn	As mentioned in the Corporate Governance Report forming part of the Annual Report	As mentioned in the Corporate Governance Report forming part of the Annual Report	Commission of Rs.85,00,000 paid for the FY 2019-20 as approved by the Board and the shareholders.
Number of meetings ofthe Board attended during the Financial Year (2020-21)	10	3	9
Relationship withother Directors / Key Managerial Personnel	Mr Ashutosh is not related to any Director/Key Managerial Personnel of the Company.	Dr. Banerjee is not related to any Director/Key Managerial Personnel of the Company.	Mrs Priya Manjari Todi is related to Mr Mayank Kejriwal, Managing Director of the Company.
Directorship in other Public Limited Companies.	1) Malay Commercial Enterprises Ltd. 2) Murari Investment and Trading Company Limited 3) Electrosteel Aviation Limited	Electrosteel Castings Limited	-
Shareholding in the Company	25 Equity Shares	Nil	-
Membership/Chairmanship in other Board Committees:	--	-	-
1) Audit Committee	--	-	-
2) Nomination & Remuneration Committee	-	-	-
3) Stakeholders' Relationship Committee	-	-	-

Ms. Priya Manjari Todi, Director, distributing Pratibha & Pride award for the year 2020 to an employee



New Annealing Furnace Commissioned

ELECTROSTEEL

CELEBRATING MILESTONES THROUGH MASTERPIECES

At Electrosteel, we are celebrating 25 years of pioneering Ductile Iron Pipes in India.

To celebrate our glorious journey, we initiated the "Inspiration Canvas" – an art project that uses our pipes as a canvas to depict our values of **Trust, Innovation, Responsibility, Purity and Expanding Boundaries.**

It all began when we asked for participation, and entries just started pouring in! Having selected our best artists, we gave them themes to paint under the able guidance of a professional artist. What followed were these beautiful expressions of art and creativity on our pipes.

We have given these art installations pride of place at our establishments, where they will be preserved for posterity. These pieces of art stand testimony to the pioneering spirit that makes us who we are.

#technologythatcares

INSPIRING GROWTH

Srikalahasthi Pipes Limited

Regd. Office & Works
Rachagunneri - 517 641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh