









 <p>U</p>	 <p>N</p>	 <p>S</p>
 <p>T</p>	 <p>O</p>	 <p>P</p>
 <p>P</p>	 <p>A</p>	 <p>B</p>
 <p>L</p>	 <p>E</p>	<p>INDIA IS</p> <p>UNSTOPPABLE</p> <p>SO ARE WE</p>

INDIA IS UNSTOPPABLE. SO ARE WE.

While India is going on expeditions beyond this world, the world has its eyes on India as the new global growth platform for every industry. The expansion is beyond measure and vision beyond the ordinary. And just like India, we at Prince Pipes have got our spirits high and goals higher. Having already launched 5 new products in the middle of the pandemic, our hunger for growth is insatiable. With global tie-ups expanding our horizon, we are strengthening our foothold in rural India as well. So, join us because our will to contribute is zero defect.



JAIPUR EST. 2019



SANGAREDDY, EST. 2021



KOLHAPUR EST. 2012



CHENNAI EST. 2012



HARIDWAR EST. 2008



DADRA EST. 2000



ATHAL EST. 1995

Content

Corporate Information	02
Company at a Glance	03
Awards	04
Product Launches	05
Global tie-ups	06
Corporate Philosophy	07
Product Portfolio	08
100% Commitment. Zero Defect Spirit.	10
Chairman's Message	12
Financial Highlights	14
Board Of Directors	15
Management Discussion and Analysis	16
Board's Report	35
Corporate Governance Report	53
Business Responsibility Report	80
Independent Auditors' Report with Financial Statements	95
Notice of 34th AGM	149

CORPORATE INFORMATION

Board of Directors

Mr. Jayant Chheda
Chairman and Managing Director

Mr. Parag Chheda
Joint Managing Director

Mr. Vipul Chheda
Executive Director

Mr. Ramesh Chandak
Independent Director

Mr. Mohinder Pal Bansal
Independent Director

Mrs. Uma Mandavgane
Independent Director

Mr. Dilip Deshpande
Independent Director

Mr. Rajendra Gogri
Independent Director

Mr. Satish Chavva
Non - Executive (Nominee) Director

Vice President & Chief Financial Officer
Mr. Shyam Sharda

Company Secretary and Compliance Officer
Mr. Shailesh Bhaskar

Statutory Auditors
M/s. Khimji Kunverji & Co LLP,
Chartered Accountants

Internal Auditors
M/s. Mahajan & Aibara, LLP
Chartered Accountants

Secretarial Auditors
M/s. Sanjay Dholakia & Associates,
Company Secretaries

Bankers
Bank of India
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
IndusInd Bank Limited
Standard Chartered Bank
The Federal Bank Limited
Yes Bank Limited
DBS Bank India Limited

Registrars & Share Transfer Agents

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai 400 083, India

Registered Office

Plot No.1, Honda Industrial Estate
Phase II, Honda Sattari
Honda, Goa 403 530, India

Corporate Office

8th Floor, The Ruby,
Senapati Bapat Marg (Tulsi Pipe Road),
Dadar West, Mumbai 400 028.
Tel:022-66022222.
Website: www.princepipes.com
Email: investor@princepipes.com

Audit Committee

Mr. Mohinder Pal Bansal
Chairman
Mr. Ramesh Chandak
Mrs. Uma Mandavgane
Mr. Parag Chheda

Nomination and Remuneration Committee

Mr. Ramesh Chandak
Chairman
Mrs. Uma Mandavgane
Mr. Mohinder Pal Bansal

Corporate Social Responsibility Committee

Mr. Jayant Chheda
Chairman
Mr. Parag Chheda
Mrs. Uma Mandavgane

Stakeholders' Relationship Committee

Mr. Ramesh Chandak
Chairman
Mr. Parag Chheda
Mr. Vipul Chheda

Risk Management Committee

Mr. Mohinder Pal Bansal
Chairman
Mr. Ramesh Chandak
Mr. Parag Chheda
Mr. Shyam Sharda

COMPANY AT A GLANCE

Our company is one of India's largest integrated piping solutions and multi-polymer manufacturers marketing its products under two renowned brands - Prince Piping Systems and Trubore Piping Systems



Incorporated in 1987



Strong legacy of more than 3 decades



Strategically located 7 manufacturing plants



Total installed capacity - 2,59,000 MTPA



Pan India distribution - 1,500+ channel partners



11 warehouses - for efficient supply & timely service



Amongst top 5 Processors in piping industry



First mover in north India



Comprehensive product portfolio across polymers



Market Cap of Rs. 4,597 Cr (As on Mar 31st, 2021)



Largest range of SKUs - 7,200+ SKUs



Diverse end-use applications



1,706 Employees



Technical collaboration with reputed international players

HIGHLIGHTS OF 2020-21

Awards



WHILE WE CELEBRATE THE MILESTONE, THE JOURNEY GOES ON...



NIHAR CHHEDA
(AVP - STRATEGY)
WINS "NEXT GENERATION LEADER"
AT ET POLYMERS AWARDS 2021



ANOTHER JEWEL IN THE CROWN.
ANOTHER PROOF THAT INDIA TRUSTS PRINCE PIPING SYSTEMS.

Proud to announce that Prince Pipes has been awarded Brand of The Year - Pipes at Realty+ INEX Awards 2021.

HIGHLIGHTS OF 2020-21

Product Launches



PRINCE
STOREFIT[™]
Paani Ka Bank



HIGHLIGHTS OF 2020-21

Global tie-ups

TECHNICAL COLLABORATION

Tooling
holland

A global leader in plastic
moulds manufacturing

NETHERLANDS

PRODUCT COLLABORATION

Lubrizol

World's largest manufacturers and also
the inventors of CPVC compound

USA



CORPORATE PHILOSOPHY



Vision:

To be an acknowledged leader in Indian plastic piping industry by exceeding customers expectations and maximizing bottom line for all our stake holders.

Mission:

Our mission is to bring a revolution in plastic piping industry through innovative solutions which would create a profitable growth and benefit our customers & the society at large.



Core Value System

Ethical Standards:

We conduct business in an ethical manner and act as a good corporate citizen in all areas in which the organization operates.

Respect:

We respect & appreciate all individuals and cultural identities. We embrace the differences. We ensure harmonious working environment for all our employees.

Transparency:

Transparency is the hallmark of all our business dealings. We communicate openly and sincerely. We appreciate feedback.

Commitment to Quality:

We are committed to provide the best quality products to our customers.

Ownership:

We believe in accepting responsibility and ownership while embracing common goals, teamwork and collaborative decision making

PRODUCT PORTFOLIO

PLUMBING & INDUSTRIAL SOLUTIONS



FLOWGUARD[®] PLUS
CPVC PLUMBING SYSTEMS™



EASYFIT[®] UPVC
Pipes, Fittings & Valves



GREENFIT[®] PP-R
Pipes, Fittings & Valves

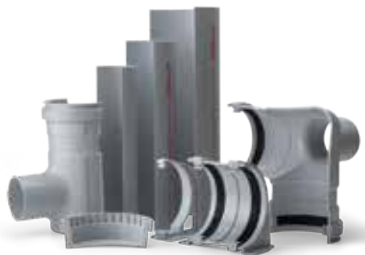


EASYFIT[®] IN
INDUSTRIAL PIPING SYSTEMS



EASYFIT[®] RE♻️
Reclaim Piping Systems

SOIL, WASTE & RAINWATER ("SWR") SOLUTIONS



RAINFIT[®] UPVC
Roofwater Systems



ULTRAFIT[®] UPVC
SWR Systems
With World Class Seals



SILENTFIT[®] UPVC
Low Noise SWR Systems

UNDERGROUND DRAINAGE SOLUTIONS



DRAINFIT™ UPVC
Underground Drainage
Piping Systems



FOAMFIT™ UPVC
Underground Drainage
Piping Systems



CORFIT™ HDPE
Underground Double Wall
Corrugated Pipes

IRRIGATION SOLUTIONS



AQUAFIT™ UPVC
Pressure & Non Pressure
Agri Pipes & Fittings



SAFELIT™ UPVC
Borewell Systems

CABLE DUCTING SOLUTION



CABLEFIT™
CABLE DUCTING PIPES

STORAGE SOLUTION



PRINCE STOREFIT™
Paani Ka Bank

100% COMMITMENT. ZERO DEFECT SPIRIT.

LABOUR DAY

Started with celebrating our own workers (including the daily wage earners) as we distributed groceries and masks at our various manufacturing facilities.



SANIFIT CONTACTLESS SANITIZERS

We developed Sanifit-contactless sanitizer dispensers that are operated with a pedal. Each unit made has been assembled with Prince PVC pipes. They were supplied to ATS Units in Mumbai, the DM's office in Haridwar, Police station at Silvassa, Bewell Hospital in Annanagar and other key centers.



WORLD GRATITUDE DAY

The day we thanked all those heroes of the society who we often tend to ignore. So, we dedicated the occasion to our cleaning, maintenance, transportation & security staff as it's their uninterrupted service that makes us unstoppable. Distributing grocery to all these heroes was a big thank you and the smallest tribute possible from Prince Parivaar.



MERA PLUMBER YAAR SINGING SUPERSTAR

A special tribute to plumbers by Prince Pipes and Radio Mirchi in the form of a pan India singing contest. Winners were rewarded with a chance to join the RJ live and also with groceries worth Rs 20,000.



AB GHAR GHAR MEIN GANGA

A safe & secure way for the Maha Kumbh senior citizen pilgrims to take home Gangajal in Prince Storefit miniature tanks without having to step down to the ghat. Distribution was done in compliance with the COVID guidelines.



FREE INSURANCE WORTH RS. 5 LAKHS

Infections, injuries, accidents... a plumber goes through many troubles and risks his health almost every day to make sure that the health of our house remains intact for years. Celebrating this zero defect contribution on the World Plumbing Day, Prince Pipes announced free personal accidental insurance worth Rs. 5 lakhs for plumbers.



WE AIRLIFTED OXYGEN CONCENTRATORS TO SUPPORT THE MEDICAL INFRASTRUCTURE OF HOSPITALS IN BIHAR, RAJASTHAN AND TELANGANA AS COVID RELIEF IN THE MONTHS OF MAY AND JUNE 2021.

O₂

CHAIRMAN'S MESSAGE



- Revenue growth by 27% to ₹2,072 cr
- EBITDA grew by 58% to ₹362 cr
- EBITDA margin at 17.5% in FY21
- PAT grew by 97% to reach ₹222 cr
- Long term debt free as on March 31, 2021
- Cash on books at ₹103 cr excluding IPO proceeds
- Board of the Directors (meeting on 12th May, 2021) declared final dividend of ₹2/ per share of face value of ₹10/ each for the year ended 31st March, 2021

Mr. Jayant Chheda

Executive Chairman and Managing Director

Dear Shareholders,

The COVID-19 pandemic has been a human health, and economic crisis that has deeply affected millions around the world. The Central and State governments have been taking all measures to protect lives as well as livelihood to respond to the situation. I believe that it is one's reaction to adversity, not adversity itself, that determines how the way forward will unfold.

At Prince, we rose to challenges thrown by the pandemic and adapted swiftly across our networks to support our associates during this unprecedented time. We focussed on protecting people's health and safety, ensuring no job retrenchments, facilitated 'work-from-home', implemented strict sanitisation measures at plants and functioned with all extended members of our Prince Pariwaar to deal with the immediate impacts of the virus. Our Prince Pariwaar responded with complete commitment to surpass every challenge and I thank the full team for coming together in

complete solidarity.

Resilience has been a way of life at Prince Pipes. We were amongst the initial few companies to start dispatches as soon as partial lifting of lockdown was announced from Apr 23, 2020. As we moved through the fiscal we responded with firm conviction to undertake several strategic efforts that enabled us to deliver phenomenal business growth and greater progress. With a resilient business model and a well-defined expansion strategy, Prince Pipes' talented team, steered the company to report a robust set of numbers as we closed FY21.

We have been able to beat the odds because we are passionate about our business and committed to create greater shareholder value. Even on the face of a second wave, we remained determined to advance. A sharp 3-pronged strategy has been instrumental to this progress centered on organic growth, operational excellence and progress aligned to ESG goals.

One of the key pillars of our strategies has been driving organic growth through market proximity and pan-India network expansion. Our seventh manufacturing facility launched much ahead of schedule in Sangareddy, Telangana this fiscal – plays an integral role at a time when the industry is witnessing consolidation. Strategically it allows us to further expand our distribution competence in the South. With over 1500 channel partners, we continue to steadily increase pan-India distributor base to ensure stronger customer proximity.

We also continue to bolster our presence in the Eastern India region through an asset light model by outsourcing the manufacture of high-volume low value PVC pipes, which allows efficient management of freight costs while strengthening our market share. In June 2020 we launched StoreFit water tanks majorly on an asset light model and also launched 4 additional products. including EASYFIT RE specially designed to divert waste water into a system where it can be recycled, CABLEFIT pipes manufactured using ultra-modern hi-tech machines for India's rapidly growing infrastructural needs and GREENFIT PP-R systems designed for hot & cold water plumbing systems in buildings & Industrial piping installations. Our efforts in the B2B Projects segment are underway and we will first focus on building the right team to capitalise on industry opportunities.

Our focus on operational excellence has helped us achieve higher competitive advantages, optimise production processes and gain greater cost efficiencies. This fiscal we forged key associations with global industry leaders Lubrizol - the inventors and world's largest manufacturers of CPVC compounds and Tooling Holland BV – global leaders in mould manufacturing. These partnerships allow us to offer superior products aligned to global standards. A diversified product portfolio of 7200 SKUs, along with aggressive penetration of Prince Flowguard Plus following our marketing partnership with Lubrizol, helped drive both value expansion across products and volume growth in the plumbing and SWR categories. Prince Flowguard Plus continues to gain strong traction in urban, semi urban and Tier 2/3 regions. We have been able to engage with top quality distributors across the nation to cross sell PVC and CPVC systems with Prince which is a unique proposition in the industry today.

Our aggressive marketing efforts have been much amplified through our brand ambassador actor Akshay Kumar, associated with the Prince brand since 2018. Various active brand monetisation initiatives are being implemented to

support our drive for organisational excellence. I am delighted that our efforts have borne fruit as Prince Pipes was awarded Brand Of The Year – Pipes, by Reality+ INEX Awards 2021.

Growth must be inclusive of the environment and sustainability. We are dedicated to manufacturing products which are smart, resourceful and pro-environment. Our ESG focus has also translated into visible outcomes as we reduced carbon footprint by 32% in one year, greenhouse gas emissions reduced by 23% over 4 years and lead-free raw materials used for manufacture of plumbing pipes for drinking water, amongst other outcomes. To commemorate the World Plumbing Day, Prince Pipes has been the first to announce free personal accidental insurance worth Rs.5 lakhs to our plumber associates. This was organized to honour their resilient spirit in current times.

CSR activities are conducted with full commitment and we ensure that either through our products or through meaningful activities, Prince Pipes makes a significant difference to society. While India grappled with oxygen shortage, we responded to the urgency of supporting the medical infrastructure of hospitals in Bihar, Rajasthan and Telangana by airlifting oxygen concentrators that were handed over to the respective states in the months of May and June 2021. As India battles the pandemic, I would like to assure you that we continue to stand with the nation during this challenging phase.

Clearly since the company's listing in December 2019, Prince Pipes has persistently undertaken several growth-oriented initiatives to play out the company's expansion plans, even on the face of the ongoing pandemic. It is with your unanimous support, a well-planned strategy and die-hard spirit that we remained unstoppable. This is in the same spirit that the world looks up to India for and which our country continues to uphold. On behalf of the leadership team, I express deep gratitude for your continued encouragement throughout this journey.

I also thank all our people – our Prince Parivaar who have been tirelessly working to ensure business continuity and growth. Most importantly, I would like to thank you, our shareholders, for your trust, support, and confidence in Prince Pipes. I also express my sincere appreciation to every Board member for their valuable contribution and the management team for their commitment, drive, and passion in steering Prince Pipes towards profitable growth and operational excellence.

FINANCIAL HIGHLIGHTS

(Rs in Millions, except as stated otherwise)

Particulars	FY 21	FY 20	FY 19	FY 18	FY 17
Income from operation	20,715.17	16,356.57	15,718.69	13,205.45	13,300.15
Expenses	17,098.84	14,068.78	13,878.07	11,589.64	11,800.79
EBITDA	3,616.33	2,287.79	1,840.62	1,615.81	1,499.36
Other Income	175.99	69.43	71.25	60.25	24.8
Depreciation	594.17	519.78	435.72	368.93	316.69
EBIT	3,198.15	1,837.44	1,476.15	1,307.13	1,207.47
Finance Cost	206.67	331.7	363.04	353.94	357.54
PBT	2,991.48	1,505.74	1,113.11	953.19	849.93
Tax Expense	773.16	380.67	291.79	218.16	198.19
PAT	2,218.32	1,125.07	821.32	735.03	651.74
Equity share Capital	1,100.26	1,100.26	900.16	900.16	450.08
Net Worth	10,434.78	8,376.76	3,989.13	3,159.46	2,411.76
Total Debt	852.20	2,597.71	2,969.12	3,645.91	3,219.87
Current Liabilities	5,217.53	4,910.86	4,904.24	4,721.45	3,795.87
Net Fixed Assets	5,795.31	4,961.15	4,248.70	3,515.03	2,855.00
Cash and Cash Equivalent	84.42	0.57	88.9	2.31	27.18
Current Assets	9,857.19	8,447.44	5,339.06	5,432.45	4,641.92
Total Assets	16,060.76	14,102.12	10,338.71	9,720.49	7,596.20
EPS (Rs. per share)	20.16	11.77	9.12	8.17	6.9
BVPS (Rs. per share)	94.84	76.13	44.32	35.1	53.59

BOARD OF DIRECTORS



Mr. Jayant Chheda

Founder, Chairman and Managing Director (CMD)

Mr. Jayant Chheda, aged 75 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director. He has an extensive industry knowledge and over four decades of experience in the plastic industry. He was awarded the 'Lifetime Achievement Award' at the Vinyl India Conference, 2014.



Mr. Parag Chheda

Joint Managing Director (JMD)

Mr. Parag Chheda, aged 50 years, is a Joint Managing Director (JMD) of our Company. He has been associated with our Company since April 27, 1996 as a Director. He holds an associate degree in business administration from Oakland Community College. He has over 25 years of experience in the piping industry. He was awarded the 'Inspiring Business Leader Award' at the Economic Times Summit, 2016 for the 'Business and Industry' sector.



Mr. Vipul Chheda

Executive Director

Mr. Vipul Chheda, aged 46 years, is an Executive Director of our Company. He has been associated with our Company since March 11, 1997 as a Director. His honed skills and dedication towards our vision have made him a vital part of our growth story. He has over 24 years of experience in the piping industry.



Mr. Mohinder Pal Bansal

Independent Director

Mr. Mohinder Pal Bansal, aged 64 years, is an Independent Director of our Company. He has been associated with our Company since September 17, 2017 as an Independent Director. He is a Chartered Accountant by qualification. He has more than 25 years of experience in Mergers & Acquisitions, Strategic Advising, Capital Markets, Company Portfolio Integration as well as post acquisition performance management in India, Asia and Europe. He is currently on board of several corporate bodies such as Blacksoil Capital Pvt. Ltd., Allcargo Logistics Ltd., Navneet Education Ltd and others.



Mrs. Uma Mandavgane

Independent Director

Mrs. Uma Mandavgane, aged 54 years, is an Independent Director of our Company. She has been associated with our Company since September 17, 2017 as an Independent Director. She is a Chartered Accountant and Certified Information Systems Auditor. She is a professional with experience spanning 28 years in Corporate Finance Management and Risk Advisory Consulting and had held senior position in Big 4 consulting firm. Currently Uma has an independent practice providing Business and Technology Risk in Information Systems Security domain and Data Analytics in Internal Audits. Her last professional stint was in Zee Media Corporation Ltd.



Mr. Ramesh Chandak

Independent Director

Mr. Ramesh Chandak, aged 75 years, is an Independent Director of our Company. He has been associated with our Company since September 17, 2017 as an Independent Director. He is a Chartered Accountant with Advanced management Program at Harvard Business School. He is Former recipient of CA Business Leader Award by The Institute of Chartered Accountants of India and Former President of Indian Electrical & Electronics Manufacturers Association of India. Mr. Chandak is CEO of RDC Business advisory, which provides Individualized leadership coaching, strategy, succession planning and management services. Prior to starting advisory practice, he was MD & CEO of KEC International Ltd. He is on the Boards of various listed companies and not for profit organizations. He was associated with Engineering, infrastructure, edible oil and textiles industries and has a global corporate experience of over 40 years working in India, Malaysia and USA.



Mr. Dilip Deshpande

Independent Director

Mr. Dilip Deshpande, aged 69 years, is an Independent Director of our Company. He was appointed to our Board on June 29, 2019. He holds a bachelor's degree in Science and technology with specialization in Petrochemicals technology and post graduate diploma in business management. He has over 45 years of experience in polymers and plastics processing industries having served C-level roles in multiple corporates, including Finolex Industries Ltd. He also provides professional coaching to executives.



Mr. Rajendra Gogri

Independent Director

Mr. Rajendra Gogri aged 62 years, is an Independent Director of our Company. He was appointed to our Board on June 25, 2020. He holds a Master's degree in Chemical Engineering from Iowa University, USA, and is a rank holder from UDCT Institute, Mumbai. In addition to his technical expertise, he is adept at handling financial and commercial matters as well. Mr. Gogri has been awarded the prestigious 'Distinguished Alumnus Award' from UDCT in 1995 for excellent performance as an 'Entrepreneur in Chemical Industry'. He was recently honoured with the 'Hurun Most Respected Entrepreneur of the Year - India' award in the year 2019. In the same year, he was also presented by Indian Chemical Council with the 'Lala Shriram National Award' for the leadership in the chemical industry. He is the Chairman and Managing Director of Aarti Industries Limited.



Mr. Satish Chavva

Nominee Director

Mr. Satish Chavva aged 47 years, is a Nominee Director of our Company. He was appointed to our Board on June 25, 2020 as a Nominee to Oman India Joint Investment Fund. He has over 20 years of experience including 14 years in Private Equity. Prior to working in private equity, he worked as an Investment Banker with Citigroup in London. He has also worked with IBM in London and Trilogy in Austin (Texas). He has an MBA from INSEAD, MS from University of Texas at Austin and B.Tech from Indian Institute of Technology Bombay. He is Director-Investments with Oman India Joint Investment Fund.

MANAGEMENT DISCUSSION AND ANALYSIS

1. GLOBAL ECONOMY

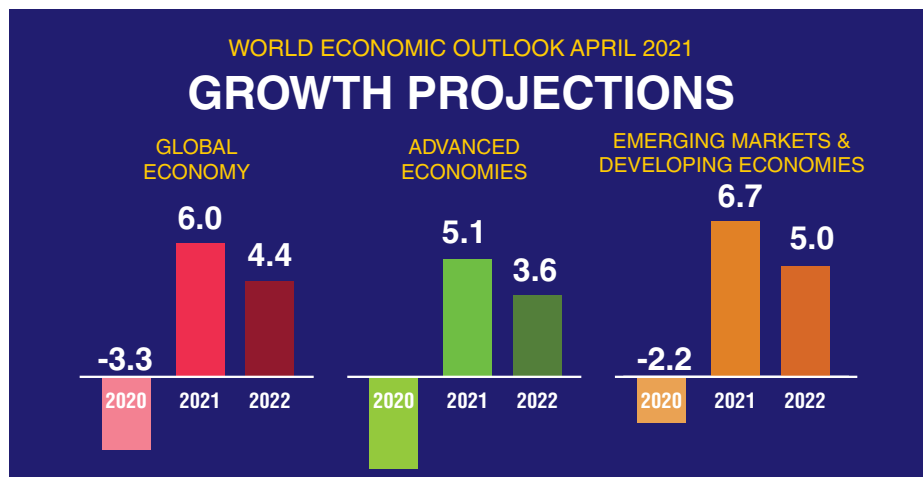
The year 2020 spawned an unprecedented global crisis, with COVID-19 disrupting economies, Governments, and societies. Economic activities came to a grinding halt during the second quarter of 2020. The global economy is estimated to have contracted by 3.3% in 2020 (Source: World Economic Outlook).

Growth in advanced economies contracted by 4.7% in 2020 and is projected to grow by 5.1% in 2021. Though the contraction was less severe than anticipated, a resurgence of COVID-19 dampened recovery. While fiscal policy is focused on stabilising the macro economy, Central bank frameworks are being reassessed as additional monetary policy support is limited. In the US, recovery was initially supported by substantial fiscal support to household incomes. However, the rebound was cut short by a resurgence of the pandemic. The situation looked the same for the Euro area and Japan, where countries were compelled to impose strict lockdown to contain the second surge of the pandemic. Tourism has been severely impacted, while manufacturing has continued to recover due to the strengthening of foreign demand. The ongoing lockdown and elevated restrictions across the UK will result in lower than pre-pandemic level growth in the economy.

For Emerging Market and Developing Economies (EMDEs), the IMF had projected a contraction of 2.2% in 2020 and a recovery of 6.7% in 2021. The drastically falling per capita income (90%) has pushed millions into poverty in the EMDEs. There has been a giant surge in the debt levels – both Government and of the private sector. Slow cross-border tourism and a subdued outlook for oil prices impacted economies depending on oil and tourism. In China, the economic recovery had been rapid yet sporadic with consumer services trailing industrial production. However, effective containment measures, forceful public investment response and liquidity support from the central bank resulted in a positive growth rate of 2.3% in 2020 for the country.

In low-income countries, growth shrank by 0.9% - stated to be the steepest decline in three decades. Weak state capacity and limited fiscal space have made it difficult for authorities to respond decisively to the pandemic. Government indebtedness increased as Government spending rose to address the health crisis and mitigate the adverse economic impacts.

The uncertainty across the globe was further accelerated by risks to financial stability – trade tensions, prolonged loose monetary conditions, rapid credit growth in some emerging economies and high debt levels.



Source: World Economic Outlook

1.1. Outlook

Global growth is projected to grow at 6% in 2021 and moderate to 4.4% during 2022 (Source: World Economic Outlook). Additional fiscal support in few large economies, anticipated vaccine-powered recovery in the second half of 2021 and continued adaptation of economic activity are factors that would drive this growth. Advanced economies are projected to recover, with growth reaching 5.1% and 3.6% in 2021 and 2022, respectively. The recovery will be aided by widespread vaccination and sustained monetary policy accommodation, which is expected to offset the partial unwinding of fiscal support. EMDEs are set to grow by 6.7% in 2021 mainly driven by growth in China followed by India. Growth is forecast to resume at a moderate pace in low-income countries as the vaccine rollout is expected to be slow.

2. INDIAN ECONOMY

India's economy was in a deceleration phase even before the COVID-19 pandemic hit the country. Private consumption collapsed due to which firms began shelving their investments. The economy was facing significant decrease in industrial output, fall in tax revenues and a massive reduction in power demand, well before the impact of the lockdown was felt.

India recorded its first case of the virus on January 30, 2020. As cases continued to rise, the Government of India

imposed a nationwide lockdown on March 24, 2020. During the two-month (April-June) lockdown, India's GDP contracted by 23.9%, the lowest in 24 years. For FY21, the economy contracted by 7.3%. Most sectors recorded negative growth due to curb on all activities. Agriculture reported a growth of 3.4% due to good monsoon and strong kharif sowing and rabi production.

In response to the COVID-19 shock, the Government, and the Reserve Bank of India (RBI) took several monetary and fiscal policy measures to support vulnerable firms and households, expand service delivery (with increased spending on health and social protection) and cushion the impact of the crisis on the economy. The Reserve Bank of India (RBI) announced various measures to support liquidity, revive exports, and boost credit flow and ease of doing business in a bid to revive the economy. The Finance Ministry announced a ₹20 lakh crore economic stimulus package focusing on boosting manufacturing and strengthening supply chains. A relief of ₹1.70 lakh crore under the Pradhan Mantri Garib Kalyan Yojana was well-timed to target migrants and casual workers. The additional allocation of ₹10,000 crore in the latest package for Pradhan Mantri Garib Kalyan Rozgar Yojana would further boost job creation in the rural sector and supplement rural incomes. Supported by these measures, the economy is expected to rebound, with a strong base effect materialising in FY22.

India GDP Growth

FY20	FY21	FY22P	FY23P
4.2	-7.3	11.5	6.8

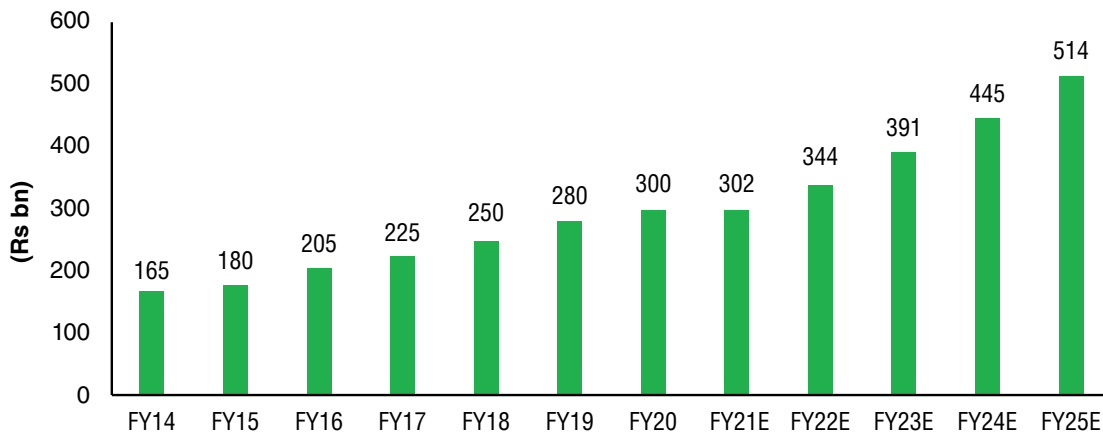
P - Projection

Source: IMF, WEO

2.1. Outlook

According to the IMF, the Indian economy is expected to grow 12.5% in FY22, the highest among EMDEs. Growth for FY23 is pegged at 6.3%. The recovery is expected to be aided by the vaccination drive and speeding up of testing. The Government's Union Budget 2021-22 has set out an ambitious economic plan to boost the country's infrastructure and re-energise economic growth, which is expected to augur well for the country. The industrial sector is expected to witness buoyancy with mining, manufacturing and construction registering double-digit growth rates over negative growth in FY21. Increase in commodity prices and a revival of domestic demand after the easing of the lockdown, and improved goods and services tax (GST) indicate growth for the economy. Proactive policy measures by regulators and the Government are expected to facilitate smooth functioning of businesses, domestic markets, and financial institutions.

Growth in the PVC pipe sector between FY14 to FY25



Source: Reliance Securities

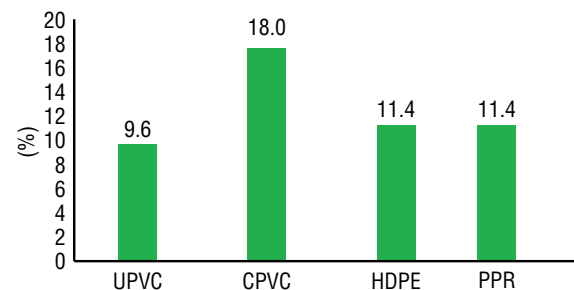
With respect to applications, sewer and drain is the most lucrative segment, followed by water supply, irrigation, plumbing, and others. Among the various types of plastic pipes, CPVC is expected to be the fastest growing sector, clocking 18% CAGR over FY20 - FY25.

3. INDUSTRY OVERVIEW

3.1 Indian Plastic Pipes and Fittings Market

The Pipes and Fittings industry in India has witnessed robust growth and has reached an estimated value of Rs. 300 billion by the end of FY19. Government investments in irrigation, and housing and sanitation, through schemes such as Housing for All, Atal Mission for Rejuvenation and Urban Transformation (AMRUT) aimed at providing basic civic amenities like water supply, sewerage, urban transport, parks as to improve the quality of life; and Pradhan Mantri Krishi Sinchayee Yojana (Prime Minister Agriculture Irrigation Scheme) are key headwinds fuelling the industry. Consequently, the industry reported a robust growth at a healthy CAGR of 10-12% between FY14 and FY19 %. It is expected to reach over Rs.500 billion by FY 24, at a CAGR of 12-14%.

Growth in the CPVC pipes sector between FY14 to FY25



Source: Reliance Securities

3.1.1. Types of polymers and applications

Plastic pipes are made using different types of polymers and have varied applications:

Types of Pipes	Applications
Unplasticized Polyvinyl Chloride (UPVC)	<ul style="list-style-type: none"> • Irrigation • Cold water plumbing • Drainage
Chlorinated Polyvinyl Chloride (CPVC)	<ul style="list-style-type: none"> • Hot and cold-water system • Industrial applications
High-density Polyethylene (HDPE)	<ul style="list-style-type: none"> • Underground drainage structured wall • WSS solid wall
Polypropylene Random (PPR)	<ul style="list-style-type: none"> • Hot and cold-water systems • Industrial applications
Composite pipe	<ul style="list-style-type: none"> • Hot and cold-water systems • Gas pipeline • Industrial applications

FY21 – Plastic Pipe Industry Revenue Mix

Revenue Mix by end users	%
Irrigation	33
WSS and plumbing + sewerage	66
Others	1

3.1.2. Industry Growth Drivers

Irrigation

About 58% of India's population depend on agriculture considering it as a primary source of income. The sector is expected to grow in the coming years driven by increased Government investments in agricultural facilities such as irrigation systems, warehousing, and cold storage. Growth in the agriculture sector would further propel the Indian PVC pipes market.

In agriculture, the irrigation sector is the prime user of PVC pipes, contributing ~47% to total sales. Of India's 142 million hectares of cultivated land, only 50% is irrigated and about 63% of the irrigated land is dependent on tube wells which in turn are monsoon-dependant. This reflects the existing

potential for agri pipes opening a window of opportunity for the pipes and fittings industry. With the aim of enhancing the irrigation coverage across India, under the Prime Minister Krishi Sinchai Yojna (PMKSY), the Government of India is planning to spend Rs. 50 billion over the next five years for setting up a dedicated Micro Irrigation Fund with NABARD. This will provide impetus to micro irrigation in India. The scheme also includes initial schemes such as Accelerated Irrigation Benefits Programme (AIBP), Integrated Watershed Management Programme, Per Drop More Crop and Har Khet Ko Pani. The Government has created two dedicated funds – a long-term.

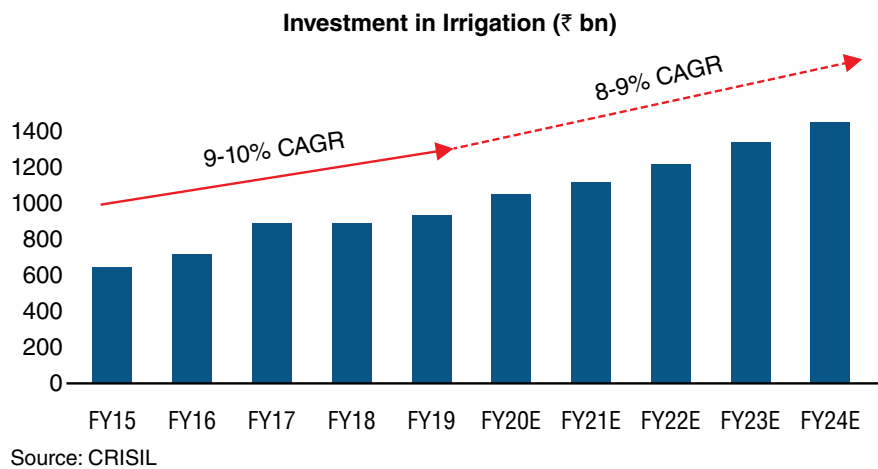
Irrigation fund and a micro irrigation fund with an initial outlay of Rs. 450 billion for financing irrigation-related projects in the country. This will promote judicious use of water, enhance water use efficiency, improve production and productivity, and ultimately increase yield and earnings of India's agricultural community.

The Government will play an active role in monitoring the progress of PMKSY projects, and has taken several steps to crystallise investments for irrigation:

- Formation of State-level Sanctioning Committees (SLSCs) for 26 states

- Releasing Rs. 654 million to states for district irrigation plan (DIP) preparation. As many as 675 DIPs have been submitted from 692 districts. Based on the DIPs, each state is expected to submit a state irrigation plan (SIP)

According to CRISIL, investments in irrigation will rise sharply by 8-9% CAGR by FY24 compared with 9-10% CAGR over the past five years (April 1, 2014, to March 31, 2019). Of the total investments in irrigation, construction expenditure is estimated at 75%, which accounts for Rs. 4,882 billion until FY24, compared to Rs. 2,931 billion over the past five years. The rise in construction activity will provide the needed fillip to the pipes and fittings industry.



Water supply and sanitation (WSS) and plumbing

WSS and plumbing contribute 35-40% to the total PVC pipe market in India. Over the last five years, the Government has invested Rs. 416 billion in WSS led by several schemes such as Nal se Jal, a component of the Jal Jivan Mission, which promises piped drinking water to 14.6 crore rural households by 2024. During 2020-21, an allocation of Rs. 11,500 crores (15% more than the revised estimate for 2019-20) for connecting 1.15 crore households through functionally piped connections in rural areas, has been made. Under this programme, source sustainability measures for augmenting water supply through rainwater harvesting and groundwater recharge, and management of greywater for reusing wastewater, have been envisaged through gram panchayats which should play a crucial role in planning, designing, execution, operations, and maintenance of the in-village infrastructure.

The Government is also focusing on cleaning rivers that are the main sources of water. It has allocated Rs. 800 crores to clean River Ganga under the Namami Gange programme and Rs. 840 crores to clean other rivers under the National River Conservation initiative. An amount of Rs. 60 lakh crores have been allocated for the Jal Jeevan Mission, which aims at improving access to water in India's water-stressed districts.

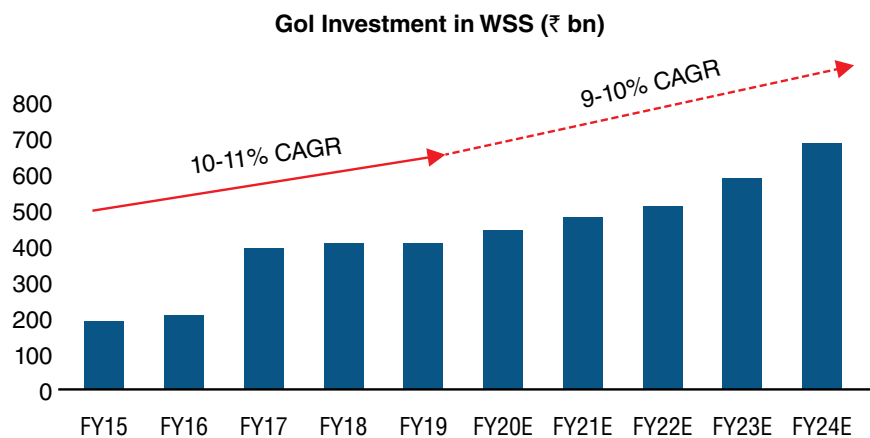
The Government has undertaken various programmes to boost infrastructure in urban areas. This will lead to a rise in demand for WSS and plumbing, in turn resulting in growth of the PVC pipes sector.

- **Swachh Bharat Mission:** Swachh Bharat Mission and National Mission for Clean Ganga (NMCG) are likely to boost investments in WSS. Swachh Bharat Mission focuses on construction of households, community, and public toilets, including conversion of insanitary latrines into pour-flush latrines.

- **Atal Mission for Rejuvenation & Urban Transformation (AMRUT):** AMRUT focuses on providing basic infrastructure services such as water supply, sewerage, storm water drains, transport and development of green spaces and parks.
- **Smart Cities Mission:** The main objective of the

Mission is to promote cities that provide core infrastructure, clean and sustainable environment and give a respectable quality of life to their citizens through the application of 'smart solutions'. Core infrastructure elements of a smart city include adequate water supply, sanitation, and affordable housing.

Overall WSS investments are likely to be Rs. 2,924 billion over the next five years (April 1, 2019, to March 31, 2024) (Source: CRISIL).



Source: CRISIL

Real estate

The real estate sector is one of the prime consumers of plastic pipes and fittings. However, the onset of pandemic followed by a stringent nationwide lockdown imbued several challenges to the industry, bringing it to a temporary standstill. The period witnessed a decline in the sale of residential properties and commercial spaces.

Foreseeing the perils of the pandemic, the Government announced relief measures. The Aatmanirbhar Bharat campaign was strengthened by RBI's announcement of loan moratoriums. Stamp duty cuts and reduction in loan rates continues to aid real estate developers during these volatile times. Ease in investment opportunities through flexibility in REITs and tax reliefs boosted market sentiments and today, the sector is on its road to recovery with homebuyers and investors returning to the market. The implementation of Real Estate Regulatory Authority (RERA) has helped boost investments in real estate enhancing transparency, financial discipline and driving greater efficiency, while the Pradhan Mantri Aawas Yojana (PMAY) is working towards minimising

housing shortage amongst the urban poor. Several tax benefits such as reduction in GST rate on affordable homes to 1%, under construction homes to 5% with zero GST for ready homes and hiking exemption limit of interest on home loans to Rs. 3.5 lakh have provided further impetus to affordable and mid-income housing.

The real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 from US\$ 120 billion in 2017 and contribute 13% to the country's GDP by 2025.

Growth drivers for the sector

- **REITs market to drive investment momentum:** Listing of new REITs is expected to provide opportunities for institutional investors to build asset portfolios or co-invest with existing platforms before the IPO. The provision of the Union Budget 2021-22, allowing to raise debt from foreign portfolio investors at low cost will lead to more asset acquisitions by REITs. Office assets are expected to be the preferred option due to stable rental yields and income visibility.

- **Sustained demand from IT/ITeS occupiers and increased demand from e-commerce, healthcare and FMCG:** The IT/ITeS sector has been largely unaffected by the economic downturn and continued to account for majority of the office leasing in 2020. At the same time, there was increased traction from sectors such as e-commerce, healthcare and FMCG. In the coming year, the IT/ITeS sector will be the key occupier group, while demand from the other sectors is likely to increase.
- **Focus on sustainability and wellness:** Occupants are increasingly demanding high-quality, tech-enabled, and wellness- enhancing buildings. The enhanced focus on health and safety will lead to use of advanced technology to provide cleaner buildings, sensors, touchless entry, and contact tracing apps. This will lead to a trajectory of graded office developments. Furthermore, the reimagination and upgradation of outdated office spaces, especially in the larger markets of Bengaluru, Delhi NCR and Mumbai may become a defining theme from 2021 onwards.
- **Increased desire to own a house and renewed interest from NRIs:** The pandemic reinforced the desire to own a home to avoid the uncertainties of living in rented accommodations. Moreover, while end users continue to drive demand, there is renewed interest from investors and from Non-Resident Indians (NRIs) impacted by economic uncertainties in Europe and the Middle East.
- **Ease of installation:** CPVC pipes and fittings are installed using a simple two-step solvent-cementing process. They are lightweight, weighing roughly one-eighth the weight of comparably sized steel piping. Moreover, their installation does not require electricity, which makes them ideal for applications where power cuts are frequent.
- **Optimum flow rates:** CPVC piping has a smooth inner surface that resists scaling and fouling. It offers optimum flow rates, allowing more liquid to move, using smaller pumps and less energy.
- **Flame and smoke resistant:** CPVC has a flash ignition temperature of 900°F (482°C), which is the lowest temperature at which combustible gas can be ignited by a small, external flame. It has an exceptionally high limiting oxygen index (LOI)—the percentage of oxygen needed in the atmosphere to support combustion.
- **Most suitable for carrying drinking water:** CPVC pipes and fittings restrict bacterial growth, which keeps the water quality healthy. They are suitable even for aggressive water pH levels of less than 6.5.
- **Ideal for home plumbing systems:** The CPVC system is four times quieter than copper plumbing systems, reducing not only the sound of running water, but also the pounding noise of the water hammer. Its thermoplastic properties provide excellent insulation to virtually eliminate sweating and condensation. It keeps hot water hotter and cold water colder than copper plumbing. There is minimal energy loss through pipe walls, saving money on heating and cooling.

3.2. Why are CPVC pipes gaining more prominence

CPVC pipes in India are still at a nascent stage, even though the demand for the CPVC category has been the highest amongst pipes over FY 14-FY 19, due to its inherent advantages. The following attributes of CPVC pipes creates more affinity and demand for purposes of replacement and substitution:

- **Corrosion resistance:** CPVC pipe and fittings demonstrate superior resistance to internal and external corrosion, virtually eliminating process leaks, flow restrictions and ultimately, premature pipe failure. They are pitting and scaling resistant and can weather extreme temperatures and aggressive chemicals.

4. COMPANY OVERVIEW

Prince Pipes and Fittings Limited (PPFL) is one of India's leading polymer pipes and fitting manufacturers. The Company was established in 1987 and initially manufactured PVC products. Over 3 decades, the journey as evolved into a larger mission of creating innovations in plumbing, irrigation, storage, and sewerage technologies to meet India's growing water management needs. Prince Pipes and Fittings Limited (PPFL) is one of India's leading polymer pipes and fitting manufacturers. The Company was established in

1987 and initially manufactured PVC products. Over 3 decades, the journey has evolved into a larger mission of creating innovations in plumbing, irrigation, storage, and sewerage technologies to meet India's growing water management needs.

Today, PPFL is one of India's largest PVC pipes manufacturer engaged in the manufacturing of polymer pipes and fittings through production of polymer pipes - CPVC, UPVC, HDPE, PPR and fittings - CPVC, PPR, and UPVC.

The Company markets products under the brand names of Prince Piping Systems and Trubore. We have developed expansive operations across agriculture, plumbing, borewell categories, built the widest sewage product range and underground drainage solutions. With an exhaustive product portfolio of 7,200 SKUs positions the Company as an end-to-end solutions provider. The product range caters to the requirements of both the rural and urban markets. PPFL also provides borewell systems for groundwater extraction.

The Company has an extensive pan-India distribution network of over 1500 channel partners. With seven manufacturing units at Athal (Dadra and Nagar Haveli), Dadra (Dadra and Nagar Haveli), Haridwar (Uttarakhand), Kolhapur (Maharashtra), Chennai (Tamil Nadu), Jaipur (Rajasthan) and Sangareddy (Telangana), we are well positioned to actively address the growing potential of the Indian pipes and fittings industry.

5. BUSINESS STRENGTHS

Strategically located manufacturing units: Our seven state-of-the-art manufacturing plants across India are located near raw material sources, ports, and principal markets, which reduces freight costs and improves cost efficiencies. We also use the services of five contract manufacturers – two in Aurangabad (Maharashtra), one in Guntur (Andhra Pradesh), one in Balasore (Odisha) and one in Hajipur (Bihar) – to meet the rising demand. The seventh manufacturing plant at Sangareddy in Telangana, inaugurated in September 2020 has an estimated installed capacity of 51,943 tonnes per annum (TPA) that has further expanded our geographical presence and will help reduce freight costs.

Diverse product portfolio: We are a multi-player polymer Company with a product basket comprising 7,200+ SKUs under one roof. Our pipes and fittings made using four types of polymers – CPVC, UPVC, HDPE and PPR – cater to extensive industry applications in plumbing, sewage, irrigation, industrial and underground drainage.

Despite the surging pandemic, in 2020 the Company launched several new products. In June 2020 the Company launched StoreFit water tanks as part of its introductory range of overhead water storage solutions. The StoreFit range was initially launched in the Gujarat market and subsequently launched across 10 states. Thereafter, the first 'Anniversary Edition' of the product was introduced that now comes with a ten-year warranty. This is backed by stringent tests and confirmation that the product has witnessed all seasonal changes and has been able to withstand weather transformations.

The Company also launched 4 additional products including EASYFIT RE specially designed to divert wastewater into a system where it can be recycled, CABLEFIT pipes manufactured using ultra-modern hi-tech machines for India's rapidly growing infrastructural needs and GREENFIT PP-R systems designed for hot & cold water plumbing systems in buildings & Industrial piping installations.

Rich experience of the management: Prince Pipes is led by a management team comprising Board members who are stalwarts in their respective industries, and promoters with over three decades of experience. The Company is also well supported by industry leaders, heading each function, with in-depth knowledge, experience, and executional excellence, steering the organisation towards higher growth.

Robust and growing distribution network: The Company continues to make even deeper inroads into the urban, semi urban, Tier II, Tier III towns and strengthened its foothold in rural markets. With over 1500 Channel Partners and distributors spread across India, the Company has established long term, strong partnerships to ensure smooth and cohesive operations. In addition to our distribution network, we have 11 warehouses on lease to focus on efficient supply and timely services.

Strong execution track record: The Company has structured quick turnaround time (TAT) for products to promptly cater to the evolving needs of clients. Our Jaipur plant [launched in 2019] and the recently launched Telangana plant [in 2020] were established much ahead of schedule, demonstrating agile execution capabilities even during the pandemic. The roll-out of new products within the first two quarters of 2020 which was within 3 months of partial opening of the lockdown, the mobilisation of the team and market resources, further demonstrates our agile execution approach.

Resilient performance: Driven by a resilient business model, our operations have been relatively less impacted by the pandemic. The Company has reported robust operational and financial performance across FY 20-21, undertaking several growth-oriented efforts that continue to deliver strong outcomes.

Over the second, third and fourth quarters of FY 2020, the Company continued to report robust performance amidst the existing pandemic situation. Efforts were driven by sharp focus on the Agri & Plumbing segments and efficient cost optimization measures that resulted into healthy growth and margin protection. Undaunted by the external circumstances and while ensuring all Covid protocols, the Company continued to implement several future-oriented initiatives. During the second quarter it established key strategic associations with global industry leaders to expand market leadership and manufacturing expertise, leverage its distribution excellence and strengthen competitive agility to respond to India's evolving needs in the piping systems industry.

Robust controls and processes, strict audit systems ensure financial health: The Company's Internal and statutory auditors ensure adequate internal controls are in place with the periodic stringent reviews in regular intervals. Since the pandemic hit the nation in March 2020, the Company initiated various cost control measures during the COVID period that translated into strong performance of operating margins and profitability.

Prince Pipes' overall organisational progress, and strong growth momentum has been reflected in the improvement in both long and short-term ratings from Crisil. Long term rating improved from A-(Stable) to A with positive outlook and short-term rating improved from A2+ to A1 wef July 20, 2021.

The Company's prudent financial management has translated into a substantial reduction of debt. The long-term debt has been completely paid off. Additionally, the cost of borrowings have also been rationalised.

Collaborating with global players to remain ahead of industry: In September 2020 Prince Pipes announced a collaboration with Lubrizol [headquartered in the US] - the world's largest manufacturers and inventors of CPVC compounds. Prince Pipes' robust distribution network combined with Lubrizol's brand equity has created a strong and sustainable partnership in the piping Industry. The association has been delivering encouraging performance with Prince Flowguard Plus plumbing systems gaining strong traction in urban, semi urban, and Tier 2/3 regions. Prince Flowguard Plus has also gained strong brand recall in our private projects segment which is now in the process of being scaled up to allow the Company to capitalise on the huge existing industry potential

The Company also announced a technical collaboration in July 2020 with Tooling Holland BV [based in The Netherlands] - a global leader in plastic mould manufacturing association. This will enable Prince Pipes to draw upon Tooling Holland's technical expertise and deep knowledge, build skills at par with international standards, significantly enhance internal operational efficiencies and optimize production costs.

Seeking growth, the ESG way: The challenging times during the pandemic showcased the value of environment, sustainability and cleanliness. Prince Pipes is dedicated to manufacturing products which are smart, resourceful and pro-environment. Our environment-focussed efforts reiterates our performance as a steward of nature. Our ESG focus continues to deliver encouraging results as we reduced carbon footprint by 32% in one year and greenhouse gas emissions reduced by 23% over 4 years. Traditional energy saved due to use of solar power is equivalent to 2.7 m pounds of coal burned every year translating to low carbon footprint. Due to solar energy used, the Company planted 40,000 saplings over the last 10 years. The Company's piping and plumbing systems are manufactured using lead-free raw materials and the Company is making conscious efforts to source local raw material.

All our plants are ISO 14001:2015 certified from TUV Rheinland, Germany. Most of our plants are installed with solar panels and our efforts to harness wind energy through collaborations at the Chennai plant are on-going. All our plants are also certified for ISO 50001:2018 energy management systems. We have implemented effective Energy Management System (EnMS) across all our sites since 2017 and achieved certification from TUV Rheinland, Germany.

Our efforts extend to empower social capital through the fiscal, focused on skill development, increasing employability, and improving customer service abilities, through initiatives including plumber education efforts

Our engagement with plumbers allows us to reach out to thousands of utility service providers educating them on various aspects of solvent applications, new techniques, soft skills, and product usage to better their service capabilities. Blood donation camps are arranged periodically and a special initiative #Weareinitogether was organised which donated domestic essentials to plant operators and staff.

Our governance systems are fully aligned to our core values centred on ethical standards, respect, transparency, commitment to quality and ownership. The Company's core values have been non-negotiable over its 3-decade journey and will continue to remain so. Regular audits of systems, processes and facilities, a balanced approach towards preserving the interests of all stakeholders including shareholders, senior management executives, customers, suppliers, financiers, the government, and the community, have held us in good stead.

Staying ahead of the curve: Since inception, the Company has taken a proactive, agile stance executing strategic initiatives to stay ahead of industry and that has helped us build a unique and differentiated position. This has compelled us all to take personal responsibility for remaining resilient and progressive even in the face of relentless change. In January 2021, the Company inaugurated its seventh manufacturing facility in Sangareddy, Telangana much ahead of schedule. The state-of-the-art manufacturing unit is expected to have a total installed capacity of approximately 50,000 metric tons per annum to come up in phases over the next 2 to 3 years. The facility will cater to Southern markets, as PPFL aggressively continues to expand its pan-India marketing, distribution, and manufacturing presence.

In 2020 amidst the pandemic, the Company forged important alliances with global industry leaders to strengthen its leadership position and offer products of global standards. The tie up with Lubrizol to form CPVC compounds and market the brand Prince FlowGuard Plus., which is today well accepted in the markets. Our partnership with Tooling Holland, BV is benefitting us with technical knowledge and global standards of moulds, helping us drive our quality several notches higher.

In 2014, we forayed into Eastern India being early movers to the region, that has largely build great cost efficiencies through a unique asset light model, helping us reduce freight costs. The Company was also the first in the pipes and fittings industry to venture into North India and set up a plant at Haridwar, in 2008.

Resilient performance: The Company has remained focussed on maintaining business continuity throughout the last fiscal, while protecting staff, contributing to society, and also preserving profitability and margins. We were amongst the initial few companies to start dispatches as soon as partial lifting of lockdown was announced from Apr 23, 2020. Being agile we responded with firm conviction to take several strategic actions that helped us deliver robust business growth and firm industry position. Driven by a resilient business model, a well-charted expansion strategy and a wide portfolio of over 7200 SKUs, the Company has successfully reported a robust set of numbers as we closed FY2020-21, being one of the fastest growing companies in the industry.

6. BUSINESS STRATEGY

Strategic expansion of distribution network: The success of our business strategy continues to rest on 3 factors: our seven strategically located plants, our unique outsourcing strategy for Eastern India and the pan-India extensive reach through distributors and channel partners. Since freight is a significant entity of our cost structure, all manufacturing units are located near raw material sources, ports, and principal markets to improve cost efficiencies. A unique outsourcing strategy for Eastern India has been to establish partners in the region, which has allowed the Company to adopt an asset light model in conjunction with its manufacturing abilities. A key factor contributing to the expanding presence can be attributed to our extensive distribution network with

over 1500 channel partners. To widen its pan-India reach, the Company is steadily growing product penetration by increasing the number of retailers and expanding footprint to new geographies within the country.

Manufacturing excellence: The Company's 7 state-of-the-art manufacturing facilities across India not only ensure faster delivery but also cost efficiency. To scale up our distribution and penetration in Southern India, the newest integrated pipes and fittings manufacturing facility was launched in Telangana in September 2020 with a total estimated installed capacity of 51,943 tons per annum.

Our plant in Jaipur, Rajasthan was launched in September 2019. Designed on the green building concept, the plant covers 20 acres of the sprawling 80-acre campus and has special provisions, for glare-free daylight and forced ventilation, providing comfortable working environment for our staff and associates. The current extrusion plant would majorly be manufacturing UPVC and CPVC pipes, and is

well-equipped with state-of-the-art machinery, end-to-end process automation technology, 100% energy efficient utilities and the latest security & tracking systems. It has been designed for synergized man-material movement while maintaining restricted access to critical areas of material compounding. The plant's hi-tech facilities strengthen the Company's competitive advantages and help in establishing a greater foot hold in Rajasthan and Northern India. Additionally, our technical collaboration with Tooling Holland BV, a global leader in the international plastic injection moulding industry based in The Netherlands, provides greater impetus to our growth plans and our firm commitment to build and offer superior products, aligned to global standards and at competitive costs. Tooling Holland BV is a privately held Company with over 30 years of experience in the development and production of Injection Moulds.

Manufacturing plants and capacities

*Phase-wise capacity expansion over the next 2-3 years

Manufacturing plants and capacities

Plant location	Installed capacity (TPA)	Production capacity (TPA)	Products	Year of establishment
Athal (UT of Dadra and Nagar Haveli)	15,982	13,555	Fittings	1995
Dadra (UT of Dadra and Nagar Haveli)	56,381	41,864	Pipes	2000
Haridwar (Uttarakhand)	82,224	64,199	Pipes and fittings	2008
Chennai (Tamil Nadu)	55,836	41,411	Pipes	2012
Kolhapur (Maharashtra)	20,045	15,334	Pipes	2012
Jaipur (Rajasthan)	28,166	21,547	Pipes	2019
Telangana	499	424	-	2021
Total	2,59,134	1,98,335		

Asset-light model: The Company has empanelled contract manufacturers of which one in Balasore (Odisha) and one in Hajipur (Bihar). The adoption of asset light model is aimed at achieving an early-mover advantage in catering to the needs of Eastern India.

Focussed marketing and branding initiatives: Over the FY 20-21 fiscal, the Company created greater emphasis on brand promotion through focussed methods aimed at entrenching brand recall and customer engagement across India. The Company continues to augment its brands

aggressively, through various channels such as customer loyalty programs, below the line (BTL) promotions, above the line (ATL) promotions and social media communications. The cumulative efficacy of all branding and marketing efforts have led to Prince Pipes and Fittings being awarded Brand of The Year – Pipes by INEX Realty+.

Targeted brand engagement campaigns with one of our core associates -- the plumber community has driven stronger engagement with this segment who we consider our key endorsers. In March 2021, Mirchi & Prince Pipes celebrated the spirit of plumbers across India on World Plumbing Day. To commemorate the day and as a gesture of acknowledgment to all plumbers, a singing contest was launched for plumbers across nine cities in Delhi, Mumbai, Hyderabad, Kolkata and Ahmedabad, Pune, Jaipur, Lucknow, and Patna. The response was phenomenal and out of the thousands of plumber entries submitted, one lucky winner per city received ration supplies worth Rs. 20,000/- courtesy Prince Pipes. The winners were also invited to the Radio Mirchi studios to interact with some of the station's most popular Radio Jockeys.

Mirchi created five videos with the winning plumbers that showcased their die-hard spirit and celebrated their contribution and lives with aplomb. Such focussed campaigns are contributing to strengthen customer engagement as well as brand recall.

To enhance top-of-mind recall, in July 2020 Prince Pipes renewed its association with leading actor Akshay Kumar, who has been the brand ambassador for Prince Pipes since 2018. The Company also extended this association for the water tank segment StoreFit, launched in June 2020 which is expected to grow at a high pace. The Prince Pipes brand portfolio resonates powerfully with Akshay's ability to reach out to our industry participants across India, especially in Tier 2/3 regions and hyper local domains.

Over the next five years, we have charted a social media strategy to create better understanding of the Company and strengthen its industry position. This is being implemented by developing separate websites for Prince Piping Systems and Trubore and focus on digital and mobile solutions through social media platforms of Facebook, Twitter and Instagram.

One of the key pillars of our growth and expansion strategies expanding our dealer and distributor network. With the aim of

connecting with our dealers and partners which is crucial to our growth, we conduct Parivaar and Mitra Meets for dealers, plumbers, channel partners and others to influence the community, educate the audiences on key industry trends, progress of Company and introduce new products.

Enhancing Resource Productivity: At Prince, there are three key processes that occur in organizational learning: Knowledge creation, Knowledge retention, and Knowledge transfer. The Company ensures that the knowledge gained from this process is retained within the organization and is transferable. The Human Resource teams ensure that programs are facilitated that allows knowledge transfer to build 'embedded knowledge' that can be kept within the organization and shared amongst teams to build greater resource productivity.

Across the fiscal. we covered staff and associate categories across locations under various categories of trainings spanning technical, behavioural & awareness to upgrade their knowledge and further enhance capabilities. We introduced virtual learning platform and modalities to ensure continuous learning for the sales force. Focussed modules were developed to engage the sales teams in sales interactions, Know Your Product, Dimensions of Professional Selling, Financial & Commercial Management, which have started delivering better performance.

The company also introduced a Knowledge Retention Framework for sustainable learning sustainability, commenced an Organisational Culture Building initiative covering around 500 staff members across locations, towards paving the way for a "Future Ready Prince".

Innovation and Leadership: Over 3 decades, the Company has built deep knowledge and competitive advantage of handling multiple polymers, transitioning beyond PVC pipes. Today, the journey has evolved into a larger mission of creating innovations in plumbing, irrigation, storage, and sewerage technologies to meet India's growing water management needs. The Company is therefore, one of India's largest PVC pipes manufacturer engaged in the manufacturing of multi polymer pipes and fittings through production of polymer pipes - CPVC, UPVC, HDPE, PPR and fittings - CPVC, PPR, and UPVC. Driven by an innovative attitude, the Company continues to build an evolving product portfolio with the largest range of over 7200 SKUs across multiple polymers.

It is proud to hold the following patents:

- i. Single Piece Nahani Trap- a single-piece UPVC injection moulded trap preventing entry of pests, small insects, foul gases into the house through water inlets;
- ii. Prince Safefit UPVC Column Pipes with patented circlip for enhanced strength
- iii. DWC Coupler- a technology that to ensure long lasting, leak-proof pipe joints

7. OUR PERFORMANCE

Financial Highlights (in Rs. crore)

	FY21	FY20	y-o-y change (%)
Revenue	2,072	1,636	27
Other income	18	7	151
EBITDA	362	229	58
Profit before tax (PBT)	299	151	98
Profit after tax (PAT)	222	113	97

Key Financial Ratios

	FY21	FY20	y-o-y change (%)
Debt turnover (x)	7.8	7.6	2%
Inventory turnover (x)	7.2	6	21%
Interest coverage ratio (x)	17.8	6.3	180%
Current ratio (x)	1.9	1.7	10%
Debt equity ratio (x)	0.08	0.31	74%
Operating profit margin (%)	17.5%	14.0	25%
Net profit margin (%)	10.7%	6.9	55%
Return on equity (RoE) (%)	23.6	18.2	29%

7.1. Channel Financing

To enhance the sales of our products, we provide channel financing facility to our distributors. Channel financing is a flexible mode of financing working capital requirements. Our channel financing facility allows channel partners or key distributors get access to working capital financing at better

rates. This allows them to take up large projects that, otherwise, would have been difficult to execute due to working capital constraints. The facility is provided by the bank to the channel partners based on their business relationship with our Company.

8. SAFEGUARDING THE BUSINESS AGAINST RISKS

Our risk management approach is integrated in our strategy, business decisions and operations. It ensures that we proactively identify, assess, and manage existing and

potential risks. Our approach to managing risks helps us create long-term value for our stakeholders while ensuring the sustainability of our business.

Types of risks	Risk description	Mitigation
Sluggish economic activity	The plastic pipes industry derives most of its demand from plumbing, irrigation, water transportation and sewerage applications. These sectors depend on the level of activity in residential and non-residential construction, agriculture, and industrial spaces. Any slowdown in these sectors will in turn impact our financial performance.	Real estate, agriculture, industries, etc. depend on the economy, Government policies and regulations, and budget allocations. The increasing Government investment in housing and sanitation, building and construction, and irrigation and schemes such as Housing for All and Smart Cities are expected to provide impetus to the pipes industry. They pose great opportunities for organised players like us and will allow us to maintain sustainable growth.
Raw material availability	UPVC, CPVC, HDPE and PPR resins are the key raw materials used in the production of pipes. Their prices depend on crude oil prices. Increase in raw material prices can affect our profitability.	Our teams work in close coordination with suppliers to avail discounts and reduce the purchasing cost. In some cases, we pass on the increased cost to customers by increasing our product price.
Competition	We operate in an industry that is highly competitive.	To remain relevant and ahead of our peers, we strive to reduce our costs of production, transportation and distribution, implement impactful marketing campaigns and improve our operating efficiencies. Our strategically located manufacturing facilities, wide distribution network, diverse products, and our ability to provide comprehensive plumbing, irrigation and sewerage management solutions allow us to maintain significant competitive advantage.
Operational efficiency	Operational efficiency is crucial to our profitability and sustainable growth.	Our combination of people, processes and technology helps us to optimise business performance. Our product development team is focused on understanding end-user

Types of risks	Risk description	Mitigation
		<p>challenges and opportunities, to introduce new products and variants of existing products. The team has regular interactions with plumbing consultants and contractors to understand the demand for pipes and fittings products.</p>
Foreign exchange	<p>We import some raw materials and equipment used in our manufacturing plants. Any unfavourable movements in the exchange rate would impact our performance.</p>	<p>We constantly evaluate exchange rate exposure arising from foreign currency transactions. We enter into a variety of derivative financial instruments such as foreign exchange forward contracts, interest rate swaps and cross-currency swaps to mitigate this risk.</p>
Changing regulations and policies	<p>The Indian Government has imposed an antidumping duty (ADD) on CPVC resin / compound imports from China and Korea for a period of five years (valid up to February 2025). This move is followed by provisional anti-dumping duty announced on August 26, 2019. The industry's share of imports from China and South Korea stood at about 33% of the total imports between April-August 2019.</p>	<p>Earlier, CPVC resin was sourced from various geographies, including Korea, China, Japan and Europe. Post Government regulation, the Company has stopped sourcing the same from China and Korea. Since our raw material imports are not concentrated from these geographies, we have been able to mitigate this risk to a large extent.</p>
Credit	<p>Majority of our sales to distributors are on an open credit basis, with standard payment period between 15-30 days. Inability to collect the receivables could adversely affect our performance.</p>	<p>We purchase raw materials from domestic suppliers on credit terms of less than a week and purchase imported raw materials on credit terms of 90-150 days. However, the standard payment term with distributors is generally between 15-30 days. We use working capital facilities to fund the timing difference between the payment for raw materials and the receipt of payment for manufactured products. In addition, we also use channel financing to optimise the working capital requirements and improve collections/debtor days.</p>

9. SUSTAINABILITY

As one of India's leading pipe and fittings manufacturers, we are vested with the important responsibility of being a good corporate citizen and ensuring we do not adversely impact the environment and the communities in which we operate. We consider success as inclusive of both aspects of profitability and sustainability. We focus on the Triple Bottom Line goals of environmental, social, and financial performance to ensure sustainable value creation for all stakeholders.

At Prince Pipes, Product Life Cycle Assessment [PLCA] has become a tool of choice used to establish the sustainability impact of the products we manufacture and market. Across all stages of the product life cycle, we assimilate very clear avenues where we can reduce the environmental impact, create social capital and achieve cost efficiency.

9.1. Focusing on clean energy and environment

From procurement of raw materials, to ensuring sustainable manufacturing facilities, until distribution, our resources are used with the aim of valuing our larger communities and the environment. Some of our key efforts have been directed as follows with positive outcomes:

- All our plants are ISO certified.
- Solar panels are installed at most plants.
- We are harnessing wind energy through collaborations at the Chennai plant.
- Greenhouse Gas (GHG) emissions have reduced by 23% over the last four years.
- We strive to optimise resource utilisation, use environment-friendly materials, reduce all forms of waste and reuse, and recycle as much as possible to realise our sustainability goals.
- We undertake rainwater harvesting at our plants in Haridwar, Jaipur, Chennai and Dadra. Groundwater is replenished with rainwater at the rate of 300 m³/hour.

The Company's other plants are in the process of setting up rainwater harvesting systems to be completed by end of the current fiscal.

- All our facilities are equipped with sewage treatment plants with a capacity of 150 KL/day to recycle and reuse sewage water.
- Compostable canteen waste is processed and converted into organic manure.
- All plastic waste is fully segregated and recycled.
- Power-saving LED lighting are being used across all facilities.
- All our plants are certified with ISO 50001:2018 energy management systems.
- Global Environment Fund (GEF) South Asia Growth Fund II Holdings is an investment fund dedicated to support energy and water efficiency in India and Bangladesh. The fund has invested in PPFL and currently holds 5.39% stake as on March 2021. This is a great endorsement by a fund that invests in businesses promoting cleaner sources of energy and industrial production, efficient utilisation of energy and materials, and sustainable management of natural resources in South Asia.

9.2. Empowering Communities

- We educate utility services providers including plumbers on various aspects related to solvent applications, new techniques, soft skills, and product usage to better their service capabilities.
- Blood donation camps are conducted periodically.
- We undertook a unique initiative #Weareinittgether to donate essentials to build emotional connect with all staff and convey solidarity with all our external audiences, while sharing the efforts of the organisation has been undertaking.
- As part of the World Plumbing Day, as a first in the industry accidental insurance was given to plumbers worth Rs.5 lakhs.

- Domestic essentials and groceries were provided to 450 blue collared and contractual staff at plant locations
- During the pandemic, our products were used for the use of common good. We developed Sanifit as contactless sanitiser dispensers that are operated with a pedal and each unit made and assembled with PVC pipes which are manufactured by Prince Pipes. They were supplied to ATS Units in Mumbai, the DM's office in Haridwar, Police station at Silvassa, Bewell Hospital in Annanagar and some other centres.
- This year we also airlifted oxygen concentrators to support India's relief efforts for the surging second wave of Covid and the equipment were distributed to states of Bihar, Rajasthan, and Telangana.
- As a response to the pandemic during the Maha Kumb in Haridwar, we made a prototype of our StoreFit Water tank. This was used to store Ganga jal and distributed in our Kumbh Campaign Ghar ghar mein Ganga, in Haridwar. It was specifically done to ensure that senior citizens in Haridwar could get some Ganga jal without having to visit the ghats during the pandemic. The activity was conducted with full Covid precautions.

10. PEOPLE

Our staff and employees are at the centre of our progress and all accomplishments. We are committed to building the best possible environment and fostering a culture of equality, learning and development. With the onset of the pandemic, all staff were encouraged and advised to work remotely with [any facilities provided]. With gradual easing of the lockdown, all sanitisation measures were taken in office premises and plants for employees.

We understand that Employee Engagement affects just about every important aspect of the organization, including profitability, revenue, customer experience, employee turnover, and more.

In addition to offering tailored training and skill development programs for our staff across plants and in the corporate office, we also continue to organise various employee engagement programs. Carefully modelled, these initiatives have helped in driving highly engaged employees passionate about their roles, teams and the organisation. Facilities and noteworthy efforts include:

- Health Awareness sessions for about 250 employees across India covering approx.
- Bus facility for employees at corporate office for those who wish to avoid public transport during the pandemic
- Essentials (grocery) to blue collar and contractual employees at all plant locations covering almost 450 employees
- Sanitization activity – thrice in a day at plant locations & weekly twice at corporate office
- Sanitizer Distribution - Sanitizer dispensing units that were built with PVC pipes with sanitizers were distributed to the local authority offices (Collector Office, Govt. hospitals & Police Station) during the lockdown
- Financial support to employees & contractors during pandemic has been provided
- A social media campaign is ongoing #WeAreInItTogether to build emotional connect for employees during pandemic and create awareness of all efforts being undertaken by the Company
- A social media campaign #WhyThisKolaveri –has been created to promote a culture of greater transparency within the organisation
- Hiring through some of India's best recruitment agencies

We continue to provide several internal and external training opportunities to upskill our employees and enhance their skillsets. As on March 31, 2021, we have a team of 1,706 people, working together towards the organisation's singular vision and growth.

11. HEALTH AND SAFETY

We are committed to safeguarding our people by making our facilities, processes, and technologies secure. During the pandemic, we followed strict social distancing and sanitisation measures. Recently a vaccination drive was implemented for employees.

We ensure continual technological improvements in facility maintenance and operational practices to minimise the risks and associated health hazards. To prevent injuries or violations of health and safety laws and regulations, we have functional groups whose primary responsibility is to ensure implementation of effective work procedures throughout the organisation and take necessary steps to ensure the wellbeing of our people.

12. INNOVATION

We are an organisation committed to adopting innovation. Each day, we strengthen our expertise while supporting and encouraging research and development. We have a well-equipped and well-staffed R&D centre that develops and enhances products for plumbers, borers, drillers, and plumbing consultants.

In line with our aim of being an end-to-end pipes and fittings solution provider, the company has been building a comprehensive product portfolio. We are in the process of developing more than 50 plus products in consultation with various influencers in different categories and applications. In August 2020 the team launched STOREFIT Water Tanks, through a pilot launch in Gujarat that was introduced in other markets across India.

Driven by intense industry expertise accumulated over 3 decades, Prince Pipes has striven to cultivate an innovative mindset to resolve various water related challenges. It is proud to hold the following patents:

- i. Single Piece Nahani Trap- a single-piece UPVC injection moulded trap preventing entry of pests, small insects, foul gases into the house through water inlets

- ii. Prince Safefit UPVC Column Pipes with patented circlip for enhanced strength
- iii. DWC Coupler- a technology that to ensure long lasting, leak-proof pipe joints

We have implemented SCADA systems to monitor real-time and the live data. We have adopted automation in non-core processes such as pipe lifting and product packaging to further optimise the cost. These initiatives will not only optimise costs but also help PPFL be a progressive, and future- ready brand.

13. QUALITY CONTROL

Our products are the preferred choice among customers due to their high quality. To continue improving our product quality, we have implemented Quality Management System and all our manufacturing facilities, except Kolhapur and Jaipur, are ISO 9001:2008 certified. We have obtained ISO 14001:2015 certification for Haridwar, Dadra and Chennai plants and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai, Athal, Dadra, Kolhapur and Haridwar plants.

A wide range of Prince Piping Systems products adhere to Bureau of Indian Standards [BIS], ASTM and other quality standard. SILENTFIT pipes are certified by Fraunhofer IBP, Germany and Trubore brand products adhere to IS, ASTM and other quality standards. The Company uses techniques such as Kaizen, which monitors function improvements and involves employees across the organisation, from the top management to the production lines. We have deployed checks and testing systems in place right from the procurement of raw materials to manufactured products for ensuring superior quality. In addition, we also track multiple parameters, such as the mean time between complaints, error repetition rate, customer complaint hit rate, cost of poor quality, On Time in Full, percentage of wastage and corrective measures are undertaken to mitigate the issues and maintain the quality of products.

BOARD'S REPORT

Dear Members,

Your Directors have immense pleasure in presenting the Thirty Fourth (34th) Annual Report on the business and operations of Prince Pipes and Fittings Limited ("the Company") together with the audited financial statements for the Financial Year ended March 31, 2021.

Financial Results

The key highlights of the financial results of your Company for the financial year ended March 31, 2021 and comparison with the previous financial year ended March 31, 2020 are summarised below:

(₹ In millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Operations	20,715.17	16,356.57
Less: Expenses	17,098.84	14,068.78
EBITDA	3,616.33	2,287.79
Less:		
Finance Cost	206.67	331.70
Depreciation	594.17	519.78
Add:		
Other Income	175.99	69.43
Profit before Tax	2,991.48	1,505.74
Less: Tax Expenses	773.16	380.67
Profit After Tax	2,218.32	1,125.07
Add: Total Other Comprehensive Income	3.12	(6.50)
Total Comprehensive Income for the year	2,221.44	1,118.57

Overview of Financial Performance

- ❖ Revenue from operations at ₹20,715.17 million compared to ₹16,356.57 million in Fy 20, translating to a growth of 26.6%
- ❖ Sales volume at 1,38,289 MT in Fy 21 as compared to 1,32,816 MT in Fy 20, translating to a growth of 4 %
- ❖ EBITDA for Fy 21 at ₹3,616.33million compared to ₹2,287.79 million in Fy 20, growth of 58.07 %
- ❖ PAT for Fy 21 at ₹ 2,218.32 million compared to ₹ 1,125.07 million in Fy 20, growth of 97.2%

Dividend

During the year under review, your Company had declared the interim dividend for the Financial Year 2020-2021 on November 03, 2020. An interim dividend of ₹ 1.5/- (Rupees One and Half only) (at the rate of 15 percent) on each fully paid-up equity share of ₹ 10/- (Rupees Ten Only) of the Company amounting to ₹ 165.04 Million was paid out of the profits of the Company for the period ended September 30, 2020 to those members of the

Company whose names appeared in the Register of Members of the Company on November 17, 2020, being the Record Date for payment of Interim Dividend.

Directors have further recommended a Final dividend of ₹ 2.0 /- per share for Fy 2020-2021 on its paid up equity share capital, as may prevail on the record date fixed for the purpose of dividend eligibility of the members, subject to approval of members in the ensuing Annual General Meeting of the Company.

The details with respect to unpaid/unclaimed dividend are available on the Company's website at www.princepipes.com.

Pursuant to the provisions of Regulation 43A of SEBI (LODR) Regulations, 2015, the Company has formulated its Dividend Distribution Policy which is available on the website of the Company at www.princepipes.com.

Reserves

Your Directors have proposed not to transfer any amount to General Reserves of the Company for the financial year 2020-21.

Material changes and Commitments affecting the Financial Position of the company

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business or any activity of business of the Company.

Share Capital

Authorised Share Capital

As on March 31, 2021, the Authorised Share Capital of the Company was ₹1,500 million divided into 149.40 million Equity Shares of ₹ 10/- each and 0.60 million Compulsory Convertible Preference Shares ("CCPS") of ₹ 100/- each.

Paid Up Share Capital

As on March 31, 2021, the Paid-up Equity Share Capital of the Company was 110.03 million Equity Shares of ₹ 10/- each aggregating to ₹ 1,100.26 million.

Equity shares lying in the Suspense Account

In compliance with Para F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company confirms that no shares of the Company are lying in the Suspense Account.

Utilization of IPO and Pre-IPO Proceeds

Your Company has appointed HDFC Bank Limited as the Monitoring agency in terms of regulation 16 of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended, to monitor the utilization of IPO proceeds and Company has obtained monitoring reports from the Monitoring agency from time to time and filed the same with both exchanges where equity shares of the Company are listed. The proceeds realized by the Company from the initial Public offering shall be utilized as per objects of the offer as disclosed in the Prospectus of the Company.

Out of the IPO proceeds of ₹ 2,500 million, your Company has utilized ₹ 1,285.26 million as per objects of the offer and unutilized amount of ₹ 1,214.74 million has been invested in the fixed deposits with the Bank. The proceeds of the issue were mainly utilized for repayment or prepayment of certain outstanding loans availed by our Company for upgradation of equipments, setting up of new plant at Telangana and General corporate purposes. There has been no deviation in the utilization of the IPO proceeds of the Company. The Monitoring Agency Reports' are available at the Company's website at www.princepipes.com.

Further, the details of Utilisation of Net IPO Proceeds and proceeds from Pre IPO placement for the year ended March 31, 2021 has been provided in notes to the Accounts.

Alteration of Articles of Association (AOA)

The shareholders at their meeting held on November 28, 2019 adopted a new set of Articles of Association (comprising of "Part A", "Part B" and "Part C") based on the shareholders' agreement and the investor framework agreement, both dated November 20, 2019, executed by and between, inter alia, the Company, the Promoters, South Asia Growth Fund II Holdings LLC and South Asia EBT Trust represented by Orbis Capital Limited in its capacity as trustee (together, the "Investors").

With the termination of the investor framework agreement and listing of the equity shares of the Company on the recognized Stock Exchanges i.e BSE Limited and the National Stock Exchange of India Limited pursuant to the consummation of the initial public offering by the Company, Part C of the existing AOA of the Company along with several articles under Part B of the existing AOA of the Company were required to be deleted. Given this position, only the rights of the Investors in relation to appointment of investor nominee directors and observer were to be retained under Part B of the existing AOA.

The shareholders at their meeting held on September 23, 2020 altered articles of association with respect to the above changes in relation to Part B & Part C of the AOA of the Company. The detail in relation to alteration of articles is displayed on the Company's website at www.princepipes.com.

Transfer Of Funds To Investor Education And Protection Fund (IEPF):

Pursuant to applicable provisions of the Companies Act, 2013 ("Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") established by the Central Government, after completion of seven years from the date the dividend is transferred to unpaid/unclaimed account. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

During Fy 2020-21, the company had not transferred any amount to Investor Education and protection Fund ("IEPF"). As on the March 31, 2021, ₹ 0.12 million is lying as the unclaimed dividend amount.

Subsidiary / Associate Companies/ Joint Venture

During the period under review, the Company does not have any Subsidiary, Joint Venture or Associate Company hence, disclosure regarding the Subsidiary, Joint venture or Associate Company in the Form AOC-1 is not applicable.

Management Discussion and Analysis

The management of your company presents the analysis of performance of the Company for the Financial Year ended March 31, 2021 and its outlook for the future prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which forms part of this Annual Report. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments.

Credit Rating

The company has obtained rating from CARE Ratings Ltd on the bank facility availed during the year ended March 31, 2021 which was specified below.

Facilities	Amount (Rs. crore)	Rating	Rating Action
Long term bank facilities – Term Loans	30.04 (64.24)	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed and outlook revised from stable
Long term bank facilities – Fund Based	190.00 (enhanced from Rs. 175.00 crore)	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed and outlook revised from stable
Short term bank facilities	317.00 (enhanced from Rs. 252.00 crore)	CARE A2+ (A Two Plus)	Reaffirmed
Total Facilities	537.04 (Rs. Five Hundred Thirty-Seven crore and Four Lakhs Only)		

Borrowings

The aggregate borrowings of your Company stood at ₹ 852.20 million as at March 31, 2021 as compared to ₹ 2,597.71 million as at March 31, 2020. The foreign currency borrowings as on March 31, 2021 were NIL as compared to ₹ 134.60 million as at March 31, 2020. Your Company has repaid borrowings amounting to ₹ 1,745.51 million during the period under review.

Corporate Governance

Corporate Governance Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Board Report.

Business Responsibility Report

Business Responsibility Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Board's Report.

Insurance

The company has maintained insurance policies on the production facilities, buildings, machinery and inventories, transit and warehouse stock, import of consignment and damage due to fire, earthquakes, floods and other natural disasters as well as insurance policies for Staff Health, Staff Personal Accident, and Staff Group Medclaim. The company has Directors' and Officers' Liability Insurance.

Fixed Deposits

Your company has neither accepted nor renewed any Fixed Deposits during the year under review as defined under section 73 of the Companies Act, 2013 and rules framed there under.

Particulars of Loans, Guarantees or Investment

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Directors Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on March 31, 2021 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures from the same;
- b. the Directors have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

Accounting Treatment

The Accounting Treatment is in line with the applicable Indian Accounting Standards (IND-AS) recommended by the Institute of Chartered Accountants of India (ICAI) and prescribed by the Central Government.

Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013 and the rules made thereunder, your Company has constituted Corporate Social Responsibility Committee of Directors. The role of the Committee is to review CSR activities of the Company periodically and recommend to the Board amount of expenditure to be spent on CSR annually. The details of the CSR Committee are given in the Corporate Governance Report.

The detailed report on CSR activities carried out by the Company during FY 2020-21 is annexed to this report as **Annexure A**.

The corporate social responsibility policy of the Company can be viewed on the Company's website at www.princepipes.com.

Nomination and Remuneration Policy

The Company has a Nomination and Remuneration Policy in place. For details on the same, please refer to the Corporate Governance Report.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of The Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at www.princepipes.com.

Risk Management

Pursuant to the Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, Risk Management Committee of the Board of the Company was formed with effect from June 25, 2020 for monitoring and reviewing of the risk management plan, identifying and assessing the nature and extent of internal and external risks that may impact the Company in achieving its strategic objectives.

The Risk Management framework defines the risk management approach across the enterprise. Your Company is faced with risks of different types, each of which need varying approaches for mitigation. Details of various risks faced by your Company are provided in the Management Discussion and Analysis.

Code of Conduct

The Company has in place, a policy on the Code of Conduct which is applicable to the Members of the Board and Senior Management Personnel of the Company.

The said Policy lays down the standard of conduct which is expected to be followed by the Directors and the Senior Management Personnel in their business dealings and in

particular on matters relating to integrity in the workplace, in business practices and in dealing with the Stakeholders. It also lays down the duties of Independent Directors towards the Company. The Directors and the Senior Management Personnel of the Company are expected to abide by this Code as well as other applicable Company policies or guidelines.

The Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, during the year ended March 31, 2021. A Certificate duly signed by the Managing Director, on the compliance with the Code of Conduct is given in the Corporate Governance Report. The said Code is available on the website of the company at www.princepipes.com.

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at www.princepipes.com.

Directors and Key Managerial Personnel

The Board of your Company is duly constituted with a proper balance of Executive, Non-Executive and Independent Directors. Pursuant to Section 149 (1) and 161 of the Companies Act, 2013 read with Rule 8 (5) (iii) of the Companies (Accounts) Rules, 2014, the details relating to directors and key managerial personnel who were appointed or have resigned are reported as under:

Changes in Board Composition during FY 2020-21 and up to the date of this report is furnished below:

Resignation of Director

- ❖ During the period under review, Mr. Rajesh Pai (DIN: 02930658) nominated by South Asia Growth Fund II Holdings LLC, South Asia EBT Trust represented by Orbis Capital Limited resigned from the board of the Company with effect from June 26, 2021 due to personal reasons and pre-occupation in other assignments.

The Board places on record its appreciation for the valuable guidance and assistance received from him during his tenure as director with the Company.

Appointment/ Re- appointment of Director

- ❖ Mr. Rajendra Gogri, (DIN: 00061003) has been appointed as a Non-Executive Independent Director on the Board of the Company with effect from June 25, 2020 for a consecutive period of three (3) years.
- ❖ Mr. Satish Chavva, (DIN:03615175) nominated by Oman Joint India Investment Fund has been appointed as a Non – Executive Nominee Director on the Board of the Company with effect from June 25, 2020.
- ❖ Mr. Jayant Chheda (DIN: 00013206) as a Chairman and Managing Director, Mr. Parag Chheda (DIN: 00013222) as Whole Time Director designated as a Joint Managing Director and Mr. Vipul Chheda (DIN: 00013234) as a Whole Time Directors designated as Executive Directors of the Company, liable to retire by rotation were re-appointed for the term of three (3) consecutive years commencing from August 21, 2020 up to August 20, 2023.
- ❖ Mr. Ramesh Chandak (DIN: 00026581), Mr. Mohinder Pal Bansal (DIN: 01626343) and Mrs. Uma Mandavgane (DIN: 03156224) were re-appointed as an Independent Directors on the board of the Company pursuant to Section 149 of the Companies Act, 2013 for the second term of three (3) years and will hold office up to September 15, 2023.

Retire by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Jayant Chheda (DIN: 00013206), director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for re-appointment. Necessary resolution for his re-appointment is included in the Notice of AGM for seeking approval of Members. The Directors recommend his re-appointment for your approval. A brief resume and particulars relating to him is given separately as and Annexure to the AGM notice.

Declaration from Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Key Managerial Personnel (KMP)

During the Financial Year 2020-21, following changes occurred in the position of Company Secretary and Compliance Officer of the Company.

- ❖ Mr. Pravin Jogani was appointed as Company Secretary and Compliance officer of the Company on December 09, 2019 and he resigned from the post with effect from May 30, 2020.
- ❖ Mr. Shailesh Bhaskar is appointed as the Company Secretary and Compliance officer of the Company with effect from July 1, 2020.

As on date of this report Mr. Jayant Chheda, Managing Director, Mr. Shyam Sharda, Chief Financial Officer and Mr. Shailesh Bhaskar, Company Secretary are KMPs of the Company.

Disclosure related to Board and Committees

Board

The Board of Directors met Four (4) times during the financial year 2020-21. The dates on which the Board Meetings were held are as follows:

June 25, 2020; July 31, 2020; November 03, 2020; and February 03, 2021.

Committee

The Company has several committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of laws and statutes applicable to the Company. In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholder Relationship Committee
- d) Corporate Social Responsibility Committee
- e) IPO Committee
- g) Finance Committee
- f) Risk Management Committee

The details with respect to the composition, powers, roles, terms of reference, etc. of the aforesaid committees are given in detailed in the "Corporate Governance Report" of the Company which forms part of the Annual Report.

Performance evaluation of the Board

In compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation 2015, annual performance evaluation of the Board and its Directors individually was carried out. Various parameters such as the Board's functioning, composition of its Board and Committees, execution and performance of specific duties, obligations and governance were considered for evaluation. The performance evaluation of the Board as a whole was carried out by the Nomination & Remuneration Committee of the Company. The performance evaluation of each Independent Director was also carried out by the Board. The Board of Directors expressed their satisfaction with the evaluation process.

Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return for the year ending on March 31, 2021 is available on the Company's website at <https://www.princepipes.com/general-meetings/>

Related Party Transactions

The Board has formulated and adopted a Related Party Transactions Policy ("RPT Policy") for the purpose of identification, monitoring and reporting of related party transactions. The RPT Policy as approved by the Board is uploaded on the Company's website at www.princepipes.com. All Related Party Transactions entered in to during the Financial Year were on arm's length basis and were in the ordinary course of business.

Further since transactions with the related parties are not material in accordance with the Related Party Transactions Policy, the particulars of such transactions with the related parties are not required to be reported by the Company in Form AOC-2.

The members may refer to note to the financial statements which set out related party disclosures.

Auditors and Reports

Statutory Auditors

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, have carried out the statutory audit of the Financial Statements of the Company for the Financial Year ended March 31, 2021. The Notes to Financial Statement referred in Auditors Report are self-explanatory. There are no qualifications, reservations, adverse remarks or disclaimer given by the Statutory Auditors in their report and therefore it does not call for any comments under Section 134 of The Companies Act, 2013. The Auditors Report is annexed with the financial statement forming part of this annual report.

Pursuant to the provision of Section 139 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s. Khimji Kunverji & Co. LLP, Chartered Accountants (ICAI Firm Registration No: 105146W) was re-appointed as Statutory Auditors of the Company, for a term of 2 (two) consecutive years, at 32nd Annual General Meeting of the Company held on September 27, 2019.

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, the existing statutory auditors of the Company, holds office till the conclusion of the 34th Annual General Meeting of the Company. Based on the recommendation of the Audit Committee, the Board has recommended the appointment of M/s. N.A. Shah Associates LLP, Chartered Accountants (ICAI Firm Registration No: 116560W/W100149) as the statutory auditors of the Company in their place, for a term of five consecutive years, from the conclusion of the 34th Annual General Meeting of the Company scheduled to be held in the year 2021 till the conclusion of the 39th Annual General Meeting to be held in the year 2026, for approval of shareholders of the Company.

Further, M/s. N.A. Shah Associates LLP, Chartered Accountants have confirmed that they are not disqualified from being appointed as Statutory Auditors of the Company. Details regarding their appointment are given in the notice of 34th Annual General Meeting of the Company.

Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, on the recommendation of the Audit Committee, M/s. Mahajan & Aibara, Chartered Accountants LLP, were re-appointed by the Board of Directors to conduct internal audit of the Company.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, M/s. Sanjay Dholakia and Associates (CP No. 1798), Practicing Company Secretaries has been re-appointed as Secretarial Auditor, to undertake Secretarial Audit of the Company for the financial year 2020-21. The report of the Secretarial Auditor in the prescribed Form MR-3 is annexed to this report as **Annexure B**.

The Secretarial Auditors' Report for the Financial year 2020-21 issued by M/s. Sanjay Dholakia and Associates, Practicing Company Secretaries does not contain any observation or qualification requiring explanation or adverse remark.

Cost Auditors

The Board of Directors have re-appointed Ketki D. Visariya, Cost Accountants, as Cost Auditors of the company to carry out the cost audit for the financial year 2021-22 at a remuneration as mentioned in the Notice convening the AGM, subject to ratification of the remuneration by the Members of your company. The company has received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the company.

Internal Financial Controls

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Internal Auditors' comprising of professional Chartered Accountants monitor & evaluate the efficacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures & policies at all the locations of the company. Based on their report of Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened. Significant audit observations & corrective action suggested are presented to the Audit Committee.

Details of Fraud Reported by The Auditors

During the year under review, the Statutory Auditors, Secretarial Auditors and Cost Auditors have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) and Rule 13 of the Companies (Audit and Auditors) Rules, 2014 of the Companies Act, 2013.

Conservation of Energy, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy and foreign exchange earnings and outgo, as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure C**.

Particulars of Employees

The information required pursuant to Section 197(12) of The Companies Act, 2013 read with Rule 5(1), 5(2) and 5 (3) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed to this report as **Annexure D**

Employee Relations

We firmly believe that employees are our greatest asset and the energy, enthusiasm and creativity they bring into the workplace are the key drivers of our success. Maintaining healthy employee relations is at the core of our people strategy. We continuously strive towards enhancing the employee experiences through various HR interventions leading to an engaged & motivated workforce. All our HR programmes are designed to align the employee goals with the Organisational goals & are working intensively towards making it a way of life. Keeping in spirit, we are having a structured learning & development programme in place to ensure that the employees upgrade their skills continuously & contribute in making the Organisation – a learning Organisation. Keeping in view the existing VUCA world, we need to be competitive & in order to keep ourselves aligned with the key business opportunities & the challenges thereof, we have implemented Innovative Culture across the Organisation for fostering innovation & providing ample opportunities to the employees for self - motivation & meaningful engagement through Small Group activities, KAIZENS etc. & reward the same for sustaining the employee motivation.

Employee Stock Option Scheme (ESOP)

During the year under review, your directors confirm that no shares were issued by the Company under the subsisting Prince Pipes and Fittings Limited – Employee Stock Option Scheme (ESOP) 2017 of the Company. Details of Employee Stock Option Activity under the Scheme is given under Note 37 of Notes to Accounts forming part of this Annual Report.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The said policy is available on the website of the company at www.princepipes.com.

During the period under review, the Company had not received any complaints on sexual harassment under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Significant and material orders passed by the regulators or courts

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

Impact of COVID-19 on Business:

There are no other material changes or commitments occurring after March 31, 2021, which may affect the financial position of the company or may require disclosure.

In view of recent surge in Covid-19 cases few states re-enforced lockdown like restrictions for a short period which currently is not expected to have any significant impact on company's operations/ results. The company continues to remain vigilant and cautious in this regard.

Acknowledgement

The Directors place on record their appreciation for the sincere and whole hearted co-operation extended by all concerned, particularly Company's Bankers, Financial Institutions, Security Trustees, Stock Exchanges, Municipal authorities, State Governments, the Central Government, Suppliers, Clientele and the employees of the Company and look forward to their continued support. The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. The Directors also thank the shareholders for continuing their support and confidence in the Company and its management.

For and on behalf of Board of Directors of
Prince Pipes and Fittings Limited

Jayant Chheda

Chairman & Managing Director

DIN: 00013206

Place: Mumbai

Date: August 05, 2021

Annexure 'A' to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

We strive to be a socially responsible Company and strongly believe in development which is beneficial for the society at large. Through the CSR program, the Company sets the goal of reaching a global balance that integrates human, environmental and community resources. By means of integrating and embedding CSR into its business operation and participating proactively in CSR initiatives, the Company intends to contribute continuously to the global sustainable development. The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

2. Composition of CSR Committee as on March 31, 2021:

Sl. No	Name of Director	Position	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
I.	Mr. Jayant Chheda	Chairman	Promoter/ Executive Chairman/Managing Director	1	1
II.	Mr. Parag Chheda	Member	Promoter/ Joint Managing Director	1	1
III.	Mrs. Uma Mandavgane	Member	Independent / Non-Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

The web-link is as follows: www.princepipes.com

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

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

Sl No.	FY	Amount available for set-off from preceding financial years	Amount required to be set off for the financial year, if any

6. Average net profit of the Company as per section 135(5): INR 1251.87 Million

7. a) Two percent of average net profit of the Company as per section 135(5): INR 21.20 million
 b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
 c) Amount required to be set off for the financial year, if any: NIL
 d) Total CSR obligation for the financial year (7a+7b-7c): INR 21.20 million

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

Total amount spent for the FY	Amount Unspent (Rs. In million)				
	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
25.80 million	-	-	-	-	-

b) Details of CSR amount spent against on-going projects for the financial year: NA

SI No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the Project.		Project Duration	Amount allocated for the project (In Rs.)	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number

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

SI No	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project	Mode of Implementation - Direct (Yes/No)	Mode of implementation - through implementing agency	
				State:	District:			Name	CSR registration number
1	To Promote Education	ii	Yes	Maharashtra	Ahmednagar	25.80 million	No	Dr. Vithalrao Vikhe Patil Foundation	NA

- d) Amount spent in Administrative Overheads: NIL
e) Amount spent on Impact Assessment, if applicable: NA
f) Total amount spent for the FY (8b+8c+8d+8e): INR 25.80 million
g) Excess amount for set off, if any: INR 4.60 million

SI. NO	Particular	Amount (INR)
I.	Two percent of average net profit of the Company as per section 135(5)	21.20 million
II.	Total amount spent for the FY	25.80 million
III.	Excess amount spent for the financial year [(ii)-(i)]	4.60 million
IV.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
V.	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.60 million

9. Details of Unspent CSR amount for the preceding three financial years:

a)	Sl. No	Preceding FY	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting FY	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
					Name of the Fund	Amount	Date of transfer	
	1	2017-18	NIL	10.82 million	-	-	-	-
	2	2018-19	NIL	16.00 million	-	-	-	-
	3	2019-20	NIL	10.00 million	-	-	-	-

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

SI no	Project ID	Name of the Project	FY in which the project was Commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting FY	Cumulative amount spent at the end of reporting FY	Status of the project- Completed/ Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NA

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two Percent of the average net profit as per section 135(5). The company has just embarked on the journey of ascertained CSR programs. For this reason, during 3 preceding financial years, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. The Company intends to spend the shortfall of the prescribed amounts on CSR projects after suitable identification of CSR Projects.

For and behalf of Board of Directors of
Prince Pipes and Fittings Limited

Jayant Chheda
 Chairman & Managing Director
 DIN: 00013206

Place: Mumbai
Date: August 05, 2021

Annexure 'B' to the Board's Report

Form No. MR-3

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 of Managerial Personnel) Rules, 2014]

To,
The Members,
PRINCE PIPES AND FITTINGS LIMITED
CIN L26932GA1987PLC006287
GOA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PRINCE PIPES AND FITTINGS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company of books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (Listing Obligation and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (effective up to 9 November 2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (effective from 10 November 2018);
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable during the year under review)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the year under review)
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its Equity shares during the year under review.
- and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review.

(vi) Other laws applicable to Company

1. Custom Act 1962
2. Foreign Trade Policy 2015-2020
3. Excise laws and Other State Vat Laws applicable
4. Labour Laws and other incidental laws related to labour and employees.
5. Shop and Establishment Act & Rules (State wise)
6. Acts prescribed under prevention and control of pollution and environmental protection.

We 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 Regulations entered into by the Company with the BSE Limited and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015.

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at

For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY R DHOLAKIA)

Practising Company Secretary

Proprietor

Membership No. 2655 /CP No. 1798

Date: August 05, 2021

Place: Mumbai

UDIN: F002655C000721274

least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

Further we have to state that we have not carried out the physical inspection of any records maintained by the Company due to prevailing lock down conditions owing to COVID 2019 across the country. We have relied on the records as made available by the Company by digital mode and also on the Management Representation Letter issued by the Company.

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

Annexure A to the Secretarial Audit Report

To,
The Members,
PRINCE PIPES AND FITTINGS LIMITED
CIN L26932GA1987PLC006287
GOA

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes 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 management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Date: August 05, 2021

Place: Mumbai

UDIN: F002655C000721274

Annexure 'C' to the Board's Report

I. CONSERVATION OF ENERGY

A) Energy Conservation measures taken

All business units are continuously putting in their efforts to improve energy usage efficiencies and increase contributions from energy saving initiative taken by the Company in F.Y. 2020-21

Measures taken include:

- Continuously monitoring of energy parameters like load factor , maximum demand etc.
- Introducing energy efficient equipment by replacing energy inefficient equipment. (Energy efficient pumps, motors , vfd , servo , LED lights)
- PI (Key Parameter Indicators) monitoring of unit / kg every month to create awareness and to keep focus on it.
- Energy audit through independent agency for ISO50001 (for our plants located at Athal, Dadra, Haridwar, Chennai and kolhapur)
- Utilization of renewable energy by using third party wind energy at Chennai plant and by planning to implement solar energy at various factories.
- Repair and overhauling of electrical equipment's etc.
- Reduction in emission of greenhouse gases by improving energy efficiency at all plants.
- Expenditure on R & D: Not significant

B) Impact of measures taken

The measures taken have resulted in optimizing use of available resources.

Total energy consumption and energy consumption per unit of production as per specified in Schedule.

Sr. No.	Particulars	Unit	Year Ended March 31, 2021	Year Ended March 31, 2020
(A)	Power and Fuel Consumption			
1.	Electricity			
a.	Purchased			
	Total Unit	Kwh	612,85,618	650,81,787
	Total Amount	₹ in million	406.45	439.64
	Average Rate Per Kwh.	₹	6.63	6.76
b.	Own Generation			
	(Through Diesel)	Kwh	1,87,533	1,70,241
	Units per Ltr of diesel	Kwh	3.19	3.11
	Cost/unit	₹	21.95	21.68
2.	Furnace Oil & Diesel			
	Quantity	Ltr.	58,759	54,660
	Total Amount	₹ in million	4.12	3.69
	Average Rate Unit	₹	70.04	67.52

(B) Consumptions per unit of Production of Electricity

	Year Ended March 31, 2021		Year Ended March 31, 2020	
	Unit(Kwh)	Amount (₹ in million)	Unit(Kwh)	Amount (₹ in million)
Purchased	612,85,618	406.45	650,81,787	374.93
Own Generation	1,87,533	4.12	1,70,241	6.60
Total	614,73,151	410.56	65,252,028	381.53

II. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on foreign exchange earnings and outgo is as mentioned below:

Your company continuously reviews the possibility of further exports based on the international demand and price.

(₹ in million)

Sr. No	Particulars	2020-21	2019-20
1.	Foreign Exchange Earnings – Export at FOB value	29.72	10.11
2.	CIF Value of Imports	4,122.36	5,800.61
3.	Foreign Exchange Outgo	46.96	101.40

For and on behalf of Board of Directors of
Prince Pipes and Fittings Limited

Jayant Chheda
Chairman & Managing Director
DIN: 00013206

Place: Mumbai
Date: August 05, 2021

Annexure 'D' to the Board's Report

PARTICULARS OF EMPLOYEES

A. PARTICULARS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21

Name	Designation	Ratio
Mr. Jayant Chheda	Chairman & Managing Director	77:1
Mr. Parag Chheda	Joint Managing Director	64:1
Mr. Vipul Chheda	Executive Director	58:1

#Since Independent and Non-Executive Directors received no remuneration, except sitting fees for attending Board /Committee Meetings , the required details are not applicable.

ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21:

Name	Designation	%
Mr. Jayant Chheda	Chairman & Managing Director	20%
Mr. Parag Chheda	Joint Managing Director	20%
Mr. Vipul Chheda	Executive Director	20%
Mr. Shyam Sharda	Chief Financial Officer	-
Mr. Shailesh Bhaskar*	Company Secretary	-
Mr. Pravin Jogani**	Company Secretary	-

#Since Independent and Non-Executive Directors received no remuneration, except sitting fees for attending Board /Committee Meetings , the required details are not applicable

**Mr Shailesh Bhaskar resigned as a Company Secretary on May 10, 2019 and re-appointed as a Company Secretary on July 01, 2020*

***Mr. Pravin Jogani was appointed as Company Secretary on December 09, 2019 and resigned from the post w.e.f. May 30, 2020*

(iii) The percentage increase in the median remuneration of employees in the Financial Year: 8.94%

(iv) The number of permanent employees on the rolls of the Company: - 1706

(v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof: ---

The median percentage increase made in the salaries of employees other than managerial personnel was 8.75%, while the increase in the remuneration of managerial personnel was 0%. The increase in the salary of employees was as per the Industry benchmarks.

(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: Yes

B. INFORMATION AS PER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIALPERSONNEL) RULES, 2014.

- i) Employed throughout the financial year, was in receipt of remuneration for that year, in the aggregate, was not less than one crore and two lakhs rupees.

Sr. No	Name	Designation	Remuneration received (in million)	Qualification	Total No. of Experience (Years)	Date of commencement of Appointment	Date of Birth	Age	Last Employment held	% of equity shares held
1	Mr. Vininder Singh Baweja	Chief Operating Officer	13.2	B.Tech, MBA – IIT Rorkee	16 Years	26-07-2019	08-12-1979	42 Years	Hindustan Unilever Ltd	Nil

- ii) None of the employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month as per clause (ii) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. - NA
- iii) Employees mentioned above are neither relatives of any directors or managers of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of Board of Directors of
Prince Pipes and Fittings Limited

Jayant Chheda
Chairman & Managing Director
DIN: 00013206

Place: Mumbai
Date: August 05, 2021

Corporate Governance Report

The report on Corporate Governance is prepared pursuant to Regulation 34(3) read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"/ "Listing Regulations").

1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company is committed and always strives to achieve optimum performance at all levels by adhering to corporate governance practices, such as:

- Fair and transparent business practices
- Effective management control by Board
- An optimum combination of promoter, executive, independent and women directors on the Board
- Accountability for performance
- Monitoring of executive performance by the Board
- Compliance of laws
- Transparent and timely disclosure of financial management information and performance

The Company believes that adherence to high standards of corporate governance is essential for sustained corporate growth.

2. BOARD OF DIRECTORS

Composition and Category of Directors:

Your Company's Board of Directors at present comprises of nine (09) directors, of which five (5) are Independent Directors of which one (1) is a Woman Director, three (3) are Promoter & Executive Directors. Furthermore, the board also comprises of One (1) nominee director. The Board's composition is in compliance with the requirements of Regulation 17(1) of Listing Regulations read with Section 149 of the Act. The Directors possess experience in diverse fields including banking, finance, governance, taxation, Mergers & Acquisitions, sales & marketing Etc. The rich and varied experience of the Board has proved to be of immense value to the company.

The Board of Directors of the Company is headed by an Executive Chairman and consists of the following directors as on March 31, 2021, as indicated below:

Name of the Director	Category
Mr. Jayant Chheda (DIN: 00013206)	Promoters and Executive Directors
Mr. Parag Chheda (DIN: 00013222)	
Mr. Vipul Chheda (DIN: 00013234)	
Mr. Ramesh Chandak (DIN: 00026581)	Non- Executive Independent Directors
Mr. Mohinder Pal Bansal (DIN: 01626343)	
Mr. Dilip Deshpande (DIN: 08488986)	
Mrs. Uma Mandavgane (DIN: 03156224)	
Mr. Rajendra Vallabhaji Gogri (DIN: 00061003)*	
Mr. Rajesh Pai (DIN: 02930658)#	Non- Executive Nominee Director
Mr. Satish Chavva (DIN: 03615175) *	

*Mr. Rajendra Gogri (DIN: 00061003) and Mr. Satish Chavva (DIN: 03615175) were appointed by the Board as Non- Executive Independent Director and Non- Executive Nominee Director respectively with effect from June 25, 2020.

#Mr. Rajesh Pai (DIN: 02930658), Nominee Director resigned from the board w.e.f. June 26, 2021 due to personal reasons and pre-occupation in other assignments.

None of the Directors hold Directorships in more than twenty (20) Indian Companies including ten (10) Public Limited Companies. Further, none of the Directors on the Board is a member of more than ten (10) Board Committees and Chairperson of more than five (5) Board Committees across all public companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions occupied by them in other companies. (Board Committees for this purpose include the Audit Committee and the Stakeholders Relationship Committee).

None of the Independent Directors of the Company serve as Independent Directors in more than seven (7) listed companies and none of the Whole time Directors of any listed Company serve as Independent Directors in more than three (3) listed companies.

Name of the Director	Date of Appointment in the current term/ cessation	Listed Entity in which Board member is a director including this listed entity	No of Directorships in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity	No. of Equity Shares held
Independent Directors						
Mr. Ramesh Chandak	3 years w.e.f. September 15, 2020	KEC International Limited	5	7	3	0
		Parag Milk Foods Limited				
		Ram Ratna Wires Limited				
		Summit Securities Limited				
		Prince Pipes and Fittings Limited				
Mr. Mohinder Pal Bansal	3 years w.e.f. September 15, 2020	Navneet Education limited	3	4	3	0
		Allcargo Logistics limited				
		Prince Pipes and Fittings Limited				
Mrs. Uma Mandavgane	3 years w.e.f. September 15, 2020	Prince Pipes and Fittings Limited	1	2	0	0
Mr. Dilip Deshpande	3 years w.e.f. June 29, 2019	Prince Pipes and Fittings Limited	1	0	0	0
Mr. Rajendra Gogri*	3 years w.e.f.. June 25, 2020	Aarti Industries Limited	2	2	0	0
		Prince Pipes and Fittings Limited				
Non – Executive Directors (Nominee)						
Mr. Rajesh Pai#	w.e.f. November 26, 2019	Prince Pipes and Fittings Limited	1	0	0	0
Mr. Satish Chavva*	w.e.f. June 25, 2020	Prince Pipes and Fittings Limited	1	0	0	0
Executive Directors (Promoters)						
Mr. Jayant Chheda	3 years w.e.f. August 21, 2020	Prince Pipes and Fittings Limited	1	0	0	65,56,405
Mr. Parag Chheda	3 years w.e.f. August 21, 2020	Prince Pipes and Fittings Limited	1	2	0	2,15,83,303
Mr. Vipul Chheda	3 years w.e.f. August 21, 2020	Prince Pipes and Fittings Limited	1	1	0	2,21,48,300

*Mr. Rajendra Gogri (DIN: 00061003) and Mr. Satish Chavva (DIN: 03615175) were appointed by the Board as Non- Executive Independent Director and Nominee Director respectively with effect from June 25, 2020.

#Mr. Rajesh Pai (DIN: 02930658), Nominee Director resigned from the board w.e.f. June 26, 2021 due to personal reasons and pre-occupation in other assignments.

Skills/expertise/competence of the board of directors

Name of the Director	Business development and strategy	Building Material Business	Information technology	Accounts & Finance	Corporate Governance & Ethics	Sales and Marketing
Mr. Jayant Chheda	✓	✓		✓	✓	✓
Mr. Parag Chheda	✓	✓	✓	✓	✓	✓
Mr. Vipul Chheda	✓	✓			✓	✓
Mr. Ramesh Chandak	✓		✓	✓	✓	✓
Mr. Mohinder Pal Bansal	✓	✓	✓	✓	✓	✓
Mr. Dilip Deshpande	✓	✓			✓	
Mrs. Uma Mandavgane	✓		✓	✓	✓	
Mr. Rajesh Pai	✓		✓	✓	✓	
Mr. Rajendra Gogri	✓		✓	✓	✓	✓
Mr. Satish Chavva	✓		✓	✓	✓	

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned below which allow them to make effective contributions to the Board and its committees. The members of the Board are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

Profile of the Board of Directors

The profiles of the Directors of the Company as on March 31, 2021 are as under:

Mr. Jayant Chheda Founder, Chairman and Managing Director (CMD)

Mr. Jayant Chheda, aged 75 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director. He has an extensive industry knowledge and over four decades of experience in the plastic industry. He was awarded the 'Lifetime Achievement Award' at the Vinyl India Conference, 2014.

Mr. Parag Chheda Joint Managing Director (JMD)

Mr. Parag Chheda, aged 50 years, is the Joint Managing Director (JMD) of our Company. He has been associated with our Company since April 27, 1996 as a Director. He holds an associate degree in business administration from Oakland Community College. He has over 25 years of experience in the piping industry. He was

awarded the 'Inspiring Business Leader Award' at the Economic Times Summit, 2016 for the 'Business and Industry' sector.

Mr. Vipul Chheda Executive Director

Mr. Vipul Chheda, aged 46 years, is an Executive Director of our Company. He has been associated with our Company since March 11, 1997 as a Director. His honed skills and dedication towards our vision have made him a vital part of our growth story. He has over 24 years of experience in the piping industry.

Mr. Ramesh Chandak Independent Director

Mr. Ramesh Chandak, aged 75 years, is an Independent Director of our Company. He has been associated with our Company since September 17, 2017 as an Independent Director. He is a Chartered Accountant with Advanced management Program at Harvard Business School. He is Former recipient of CA Business Leader Award by The Institute of Chartered Accountants of India and Former President of Indian Electrical & Electronics Manufacturers Association of India. Mr. Chandak is CEO of RDC Business advisory, which provides Individualized leadership coaching, strategy, succession planning and management services. Prior to starting advisory practice, he was MD & CEO of KEC International Ltd. He is on the Boards of various listed companies and not for profit organizations. He was associated with Engineering, infrastructure, edible oil and textiles industries and has a global corporate experience of over 40 years working in India, Malaysia and USA.

Mr. Mohinder Pal Bansal
Independent Director

Mr. Mohinder Pal Bansal, aged 64 years, is an Independent Director of our Company. He has been associated with our Company since September 17, 2017 as an Independent Director. He is a Chartered Accountant by qualification. He has more than 25 years of experience in Mergers & Acquisitions, Strategic Advising, Capital Markets, Company Portfolio Integration as well as post acquisition performance management in India, Asia and Europe → He is currently on board of several corporate bodies such as Blacksoil Capital Pvt. Ltd., Allcargo Logistics Ltd., Navneet Education Ltd and others.

Mrs. Uma Mandavgane
Independent Director

Mrs. Uma Mandavgane, aged 54 years, is an Independent Director of our Company. She has been associated with our Company since September 17, 2017 as an Independent Director. She is a Chartered Accountant and Certified Information Systems Auditor. She is a professional with experience spanning 28 years in Corporate Finance Management and Risk Advisory Consulting and had held senior position in Big 4 consulting firm. Currently Uma has an independent practice providing Business and Technology Risk in Information Systems Security domain and Data Analytics in Internal Audits. Her last professional stint was in Zee Media Corporation Ltd.

Mr. Dilip Deshpande
Independent Director

Mr. Dilip Deshpande, aged 69 years, is an Independent Director of our Company. He was appointed to our Board on June 29, 2019. He holds a bachelor's degree in Science and technology with specialization in Petrochemicals technology and post graduate diploma in business management. He has over 45 years of experience in polymers and plastics processing industries having served C-level roles in multiple corporates, including Finolex Industries Ltd. He also provides professional coaching to executives.

Mr. Rajendra Gogri
Independent Director

Mr. Rajendra Gogri aged 62 years, is an Independent Director of our Company. He was appointed to our Board on June 25, 2020. He holds a Master's degree in Chemical Engineering from Iowa University, USA, and is a rank holder from UDCT Institute, Mumbai. In addition to his technical expertise, he is adept at handling financial and commercial matters as well. Mr. Gogri has been awarded the prestigious 'Distinguished Alumnus Award'

from UDCT in 1995 for excellent performance as an 'Entrepreneur in Chemical Industry'. He was recently honoured with the 'Huron Most Respected Entrepreneur of the Year – India' award in the year 2019. In the same year, he was also presented by Indian Chemical Council with the 'Lala Shriram National Award' for the leadership in the chemical industry. He is the Chairman and Managing Director of Aarti Industries Limited.

Mr. Rajesh Pai
Nominee Director

Mr. Rajesh Pai, aged 49 years, is a Nominee Director of our Company. He was appointed to our Board on November 26, 2019 as a Nominee to GEF Capital. He holds a master's degree in business administration from the University of Chicago and a master's degree in computer science from Arizona State University. He has a bachelor's degree in computer engineering from the University of Bombay. He has several years of experience in private equity. He is a Founding Partner of GEF Capital Partners and co-head of the South Asia investment practice. He was the MD at CID Capital and Consulting & Operational capacity at American Management System, British Telecom and AT&T.

Mr. Satish Chavva
Nominee Director

Mr. Satish Chavva aged 47 years, is a Nominee Director of our Company. He was appointed to our Board on June 25, 2020 as a Nominee to Oman India Joint Investment Fund. He has over 20 years of experience including 14 years in Private Equity. Prior to working in private equity, he worked as an Investment Banker with Citigroup in London. He has also worked with IBM in London and Trilogy in Austin (Texas). He has an MBA from INSEAD, MS from University of Texas at Austin and B.Tech from Indian Institute of Technology Bombay. He is Director-Investments with Oman India Joint Investment Fund.

Independent Directors:

Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website at www.princepipes.com.

During the year under review, Mr. Rajendra Gogri was appointed as Non- Executive Independent Director of the Company w.e.f. June 25, 2020.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Regulations read with Section 149(6) of the Companies Act, 2013. All the Independent Directors have confirmed that they met the criteria as mentioned

under Regulation 16(1)(b) of the SEBI Regulations read with Section 149(6) of the Companies Act, 2013.

Further, all the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and Listing Regulations. They have declared that they do not fall under any disqualifications specified under the Act.

The Board of Directors hereby confirm that in its opinion, the Independent Directors of the Company fulfil the conditions as specified in the SEBI Regulations and are independent of the management.

Separate Meeting of Independent Directors:

During the year under review, the independent Directors met on March 24, 2021, interalia to discuss:

- i. Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- ii. Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii. Evaluation of the quality, content and timeliness of the flow of information between the Management and the Board of Directors that is necessary for the Board to effectively and reasonably perform the duties. The Meeting was attended by all the Independent Directors.

Familiarization Program:

The Familiarization Program for Independent Directors is uploaded on the website of the Company, and is accessible at www.princepipes.com.

Board meetings, Committee meetings and Procedures:

a. Decision making process:

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Board has constituted several Committees such as Audit Committee,

Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Finance Committee, Risk Management Committee etc. In order to facilitate effective discussions at the virtual meetings, the agenda is bifurcated into items requiring approval and items which are to be taken note of the Board.

- b. **Scheduling of Board Meetings:** A minimum of four Board Meetings are held every year. Additional meetings are held to meet business exigencies or urgent matters, and where permitted, Resolutions are passed by Circulation. Dates for the Board Meetings in the ensuing year are decided well in advance. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. The necessary quorum was present for all the meetings.
- c. **Distribution of Board Agenda along with notes:** The Agenda, along with the explanatory notes, including information as specified in Part A of Schedule II to the Listing Regulations, is circulated to the Directors in advance for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to circulate any document in advance, the same is tabled before the meeting with permission of the Chairman. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.
- d. **Recording Minutes of proceedings of meetings:** Draft minutes are prepared, circulated to all the Directors for their comments, finalized and entered in the Minutes Book by the Company Secretary and, thereafter, signed by the Chairman, in accordance with the applicable Secretarial Standard.

Board Meetings & Attendance of Directors:

The Board meets at regular intervals to discuss and decide on business policies and review the financial performance of the Company. The Board of Directors met Four (4) times during the financial year 2020-21. The necessary quorum was present for all the meetings. The dates on which the Board Meetings were held are as follows:

June 25, 2020; July 31, 2020; November 3, 2020 and February 3, 2021.

The attendance of the Directors at the Board Meetings and at the last Annual General Meeting during the Financial Year 2020-21 is given below:

Board Attendance

Name of Directors	Category of Directorship	Held during the tenure	Attended	AGM attended held on September 23, 2020
Mr. Jayant Chheda	Promoter/ Executive Chairman/Managing Director	4	4	YES
Mr. Parag Chheda	Promoter/ Joint Managing Director	4	4	YES
Mr. Vipul Chheda	Promoter/ Executive Director	4	4	YES
Mr. Ramesh Chandak	Independent / Non-Executive Director	4	4	YES
Mr. Mohinder Pal Bansal	Independent / Non-Executive Director	4	4	YES
Mr. Dilip Deshpande	Independent / Non-Executive Director	4	4	YES
Mrs. Uma Mandavgane	Independent / Non-Executive Director	4	4	YES
Mr. Rajesh Pai#	Nominee/ Non-Executive Director	4	4	YES
Mr. Rajendra Gogri*	Independent / Non-Executive Director	3	2	YES
Mr. Satish Chavva*	Nominee/ Non-Executive Director	3	3	YES

* Mr. Rajendra Gogri was appointed as a Non-Executive Independent Director on the Board w.e.f. June 25, 2020 and Mr. Satish Chavva as a Non- Executive Director (Nominee Director) w.e.f. June 25, 2020.

#Mr. Rajesh Pai (DIN: 02930658), Nominee Director resigned from the board w.e.f. June 26, 2021 due to personal reasons and pre-occupation in other assignments.

Directors appointed/ resigned during the year ended March 31, 2021

- ❖ During the year under review, the Company has appointed Mr. Rajendra Gogri (DIN: 00061003) as a Non-Executive Independent Director on the board of the Company at the annual general meeting held on September 23, 2020 for a consecutive period of three (3) years commencing from June 25, 2020.
- ❖ Mr. Satish Chavva, (DIN:03615175) nominated by Oman Joint India Investment Fund has been appointed as a Non-Executive Nominee Director on the Board of the Company with effect from June 25, 2020 at the annual general meeting held on September 23, 2020.
- ❖ Mr. Rajesh Pai (DIN: 02930658) nominated by South Asia Growth Fund II Holdings LLC, South Asia EBT Trust represented by Orbis Capital Limited resigned from the board of the Company with effect from June 26, 2021 due to personal reasons and pre-occupation in other assignments. The Board places on record its appreciation for the valuable guidance and assistance received from him during his tenure.

Notes on directors seeking appointment/ reappointment:

The details of directors seeking appointment/ reappointment has been aptly covered in the accompanying Notice of the Annual General Meeting and the same may be treated as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct:

The Company has in place, a policy on the Code of Conduct which is applicable to the Members of the Board and Senior Management Personnel of the Company.

The said Policy lays down the standard of conduct which is expected to be followed by the Directors and the Senior Management Personnel in their business dealings and in particular on matters relating to integrity in the workplace, in business practices and in dealing with the Stakeholders. It also lays down the duties of Independent Directors towards the Company. The Directors and the Senior Management Personnel of the Company are expected to abide by this Code as well as other applicable Company policies or guidelines.

The Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, during the year ended March 31, 2021. A Certificate duly signed by the Managing Director, on the compliance with the Code of Conduct is annexed to this Report at **Annexure A**.

The said Policy is available on the website of the company at www.princepipes.com.

Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website at www.princepipes.com.

Inter-se relationship amongst the Directors:

Except as stated below, none of our Directors are related to each other.

Name of the Directors	Name of the Directors	Relationship
Mr. Jayant Chheda	Mr. Parag Chheda	Son
	Mr. Vipul Chheda	Son
Mr. Parag Chheda	Mr. Jayant Chheda	Father
	Mr. Vipul Chheda	Brother
Mr. Vipul Chheda	Mr. Jayant Chheda	Father
	Mr. Parag Chheda	Brother

None of the Non-Executive Directors have relationship inter-se, with any of the Directors of the Company.

3. COMMITTEE OF THE BOARD

Audit Committee:

The Audit Committee was constituted by a resolution of the Board dated September 16, 2017 and reconstituted on June 29, 2019 in compliance with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations.

Scope and terms of reference

The role of the Audit Committee shall be as follows:

- (a) oversee our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) provide recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
- (c) approve payment to statutory auditors for any other services rendered by them;
- (d) review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) matters required to be included in the Director's Responsibility Statement to be included in the board of directors report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by the management of our Company;
 - (iv) significant adjustments made in the financial statements arising out of audit findings;
 - (v) compliance with listing and other legal requirements relating to financial statements;
 - (vi) disclosure of any related party transactions; and
 - (vii) modified opinion(s) in the draft audit report.
- (e) review, with the management, the quarterly and any other partial year- period financial statements before submission to the board of directors for their approval;
- (f) review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our board of directors to take up steps in this matter;
- (g) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (h) approve or subsequently modify transactions of our Company with related parties;
- (i) scrutinize inter-corporate loans and investments;

- (j) provide valuation of undertakings or assets of our Company, wherever it is necessary;
- (k) evaluate internal financial controls and risk management systems;
- (l) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (m) review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (n) discuss with internal auditors of any significant findings and follow up there on;
- (o) review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (p) discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r) to review the functioning of the whistle blower mechanism;
- (s) approve the appointment of the Chief Financial Officer of our Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (t) oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns; and
- (u) carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of our Company or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.
- Further, the audit committee shall mandatorily review the following:
- (a) management discussion and analysis of financial condition and results of operations;
- (b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of our Company;
- (c) management letters / letters of internal control weaknesses issued by the statutory auditors of our Company;
- (d) internal audit reports relating to internal control weaknesses;
- (e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (f) statement of deviations in terms of the SEBI Listing Regulations: (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and (ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice.

Composition and Attendance of the members of the Audit Committee:

The Audit Committee met Four (4) times during the Financial Year 2020-21 and the gap between the two Meetings did not exceed 120 days. The necessary quorum was present for all the Meetings.

The dates on which the Audit Committee Meetings were held are as follows:

June 25, 2020; July 31, 2020; November 3, 2020 and February 3, 2021.

The Composition of the Audit Committee and details of meetings attended by its members during the Financial Year 2020-21 is given below:

Audit Committee Meeting Attendance

Name of the Directors	Position	Category	Held during the tenure	Attended
Mr. Mohinder Pal Bansal	Chairman	Independent / Non-Executive Director	4	4
Mr. Ramesh Chandak	Member	Independent / Non-Executive Director	4	4
Mrs. Uma Mandavgane	Member	Independent / Non-Executive Director	4	4
Mr. Parag Chheda	Member	Promoter/ Joint Managing Director	4	4

The Meetings of Audit Committee are attended by the Chief Financial Officer, the Company Secretary and the representative of Internal Auditors and Statutory Auditors. The Company Secretary acts as the Secretary to the committee.

The Chairman of the Audit Committee was present at the Thirty Third Annual General Meeting to answer shareholders' queries.

Nomination And Remuneration Committee:

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated September 16, 2017 and reconstituted on June 6, 2018, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

Scope and terms of reference:

The role of the Nomination and Remuneration Committee shall be as follows:

- (i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director's performance (including that of independent directors);
- (ii) formulate the criteria for determining qualifications, positive attributes and independence of a director;
- (iii) devise a policy on diversity of the Board;
- (iv) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;
- (v) perform such functions as are required to be performed by the Compensation Committee under the SEBI ESOP Regulations including the following:
 - (a) administering the ESOP 2017;
 - (b) determining the eligibility of employees to participate under the ESOP 2017;
- (c) granting options to eligible employees and determining the date of grant;
- (d) determining the number of options to be granted to an employee;
- (e) determining the exercise price the ESOP 2017; and
- (f) construing and interpreting the ESOP 2017 and any agreements defining the rights and obligations of our Company and eligible employees under the ESOP 2017, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP 2017.
- (vi) recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
 - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of our Company and its goals.

- (vii) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including: (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.
- (viii) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Composition and Attendance of the members of the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee met Two (2) times during the Financial Year 2020-21. The necessary quorum was present for all the Meetings. The Nomination and Remuneration Committee Meetings were held as follows:

June 25, 2020 and July 31, 2020

The Composition of the Nomination and Remuneration Committee and details of meetings attended by its members during the Financial Year 2020-21 is given below:

Nomination and Remuneration Committee Attendance

Name of the Directors	Position	Category	Held during the tenure	Attended
Mr. Ramesh Chandak	Chairman	Independent / Non-Executive Director	2	2
Mrs. Uma Mandavgane	Member	Independent / Non-Executive Director	2	2
Mr. Mohinder Pal Bansal	Member	Independent / Non-Executive Director	2	2

Performance Evaluation:

In compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation 2015, annual performance evaluation of the Board and its Directors individually was carried out. Various parameters such as the Board's functioning, composition of its Board and Committees, execution and performance of specific duties, obligations and governance were considered for evaluation. The performance evaluation of the Board as a whole was carried out by the Nomination and Remuneration Committee. The performance evaluation of each Independent Director was also carried out by the Board. The Board of Directors expressed their satisfaction with the evaluation process.

Remuneration of Executive Directors:

The details of the remuneration paid to Mr. Jayant Chheda, Chairman and Managing Director, Mr. Parag Chheda, Joint Managing Director and Mr. Vipul Chheda, Executive Director during the year under review are as follows:

(₹ In Millions)

Particulars	Names of Executive Director		
	Mr. Jayant Chheda	Mr. Parag Chheda	Mr. Vipul Chheda
Gross Salary (₹)	17.17	14.10	12.55
Commission	32.29	32.29	32.29
Incentives	-	-	-
Date of Agreement	August 31, 2020	August 31, 2020	August 31, 2020
No. of years	3	3	3
Stock Options	-	-	-

Criteria for making payments to Non-Executive Directors:

The Non-Executive Independent Directors are only paid sitting fees for their attendance at the Board Meeting and certain Committee Meetings. The Company pays sitting fees of ₹ 1,00,000/- for attending each Board Meeting, ₹ 75,000/- for attending each Audit Committee Meeting and ₹ 50,000/- for attending meetings of each Stakeholder Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

Details of Sitting Fees Paid to Independent Directors for attending Board and Committee Meetings for the Financial Year 2020-2021.

Name of Independent Director	Sitting Fees (₹ in million)
Mr. Mohinder Pal Bansal	0.85
Mr. Ramesh Chandak	0.90
Mrs. Uma Mandavgane	0.95
Mr. Dilip Deshpande	0.40
Mr. Rajendra Gogri*	0.20

* Appointed as an Independent Director w.e.f. June 25, 2020

Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee was constituted by a resolution of the Board dated September 16, 2017 and reconstituted on November 28, 2019, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

Composition and Attendance of the members of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee met one (1) time during the Financial Year 2020-21. The necessary quorum was present for all the Meetings. The Stakeholders' Relationship Committee Meetings were held as follows:

1) February 3, 2021

The Composition of the Stakeholders' Relationship Committee and details of meetings attended by its members during the financial year 2020-21 is given below:

Stakeholders' Relationship Committee Meeting Attendance

Names of Director	Position	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. Ramesh Chandak	Chairman	Independent / Non-Executive Director	1	1
Mr. Vipul Chheda	Member	Promoter/ Executive Director	1	1
Mr. Parag Chheda	Member	Promoter/ Joint Managing Director	1	1

Scope and terms of reference:

The role of the Stakeholders Relationship Committee shall be as follows:

- redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;
- giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and
- carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

Name, Designation and address of Compliance Officer:**Shailesh K. Bhaskar****Company Secretary and Compliance Officer**Address: 8th Floor, The Ruby, 29, Senapati Bapat Marg,
Dadar - West,

Mumbai 400 028.

Phone: 022-6602 2222

Fax: 022- 6602 2220

Email: investor@princepipes.com

Particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year:

M/s. Link Intime India Private Limited, is acting as the Registrar and Share Transfer Agent of the Company to carry out the share transfer and other related work. Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of the Listing Regulations. The Share Transfer Agent has timely resolved/attended all the complaints and no complaint or grievance remained unattended/ unresolved at the end of the year. Details of the complaints received and resolved during the year ended March 31, 2021 are as under:

Particulars	No. of complaint
Received during the year	5
Resolved during the year	5
Pending as at March 31, 2021	Nil

Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility Committee was constituted by a resolution of the Board dated September 16, 2017, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

The Composition of the Corporate Social Responsibility Committee and details of meetings attended by its members during the Financial Year 2020-21 is given below:

Corporate Social Responsibility Committee Meeting Attendance

Names of Director	Position	Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Jayant Chheda	Chairman	Promoter/ Executive Chairman/Managing Director	3	3
Mr. Parag Chheda	Member	Promoter/ Joint Managing Director	3	3
Mrs. Uma Mandavgane	Member	Independent / Non-Executive Director	3	3

Scope and terms of reference:

The role of the Corporate Social Responsibility Committee shall be as follows:

- To formulate and recommend to the board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;
- To recommend the amount of expenditure to be incurred on the activities referred to in (a);
- To monitor the Corporate Social Responsibility Policy of the company from time to time;
- To do such other acts, deeds and things as may be required to comply with the applicable laws; and
- To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Composition and Attendance of the members of the CSR Committee:

The Corporate Social Responsibility Committee met Three (3) time during the Financial Year 2020-21. The necessary quorum was present for all the Meetings. The Corporate Social Responsibility Committee Meetings were held as follows:

June 25, 2020, August 3, 2020 and November 3, 2020

IPO Committee:

The IPO Committee was constituted by a resolution of the Board dated September 16, 2017 and reconstituted on June 6, 2018.

Scope and terms of reference:

The role of the IPO Committee shall be as follows:

- (i) to decide, in consultation with the BRLMs, on the IPO size (including any reservation for employees, and/or any other reservations or firm allotments as may be permitted, green shoe option and/ or any rounding off in the event of any oversubscription), timing, pricing (price band, issue price, including to anchor investors etc.) and all other terms and conditions of the IPO, including the price, premium, discount (as permitted under Applicable Laws) and to make any amendments, modifications, variations or alterations thereto;
- (ii) to make applications to the Stock Exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the DRHP filed with Securities and Exchange Board of India, as may be required for the purpose;
- (iii) to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Offer for Sale, extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
- (iv) to invite the existing shareholders of our Company to participate in the IPO to offer for sale Equity Shares held by them at the same price as in the IPO;
- (v) authorisation of any director or directors of our Company or other officer or officers of our Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;
- (vi) giving or authorising any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- (vii) to appoint and enter into arrangements with the BRLMs, underwriters, syndicate members, brokers, advisors, escrow collection banks, registrars, refund banks, public issue account banks, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the IPO and to negotiate and finalise the terms of their appointment;
- (viii) to seek, if required, the consent of the lenders to our Company and/or the lenders to the subsidiaries of our Company, industry data providers, parties with whom our Company has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of our Company, any concerned government and regulatory authorities in India or outside India, and any other consent, approval or waiver that may be required in connection with the IPO, if any;
- (ix) to approve the list of 'group companies' of our Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and the Prospectus;
- (x) to make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI or any other statutory or governmental authorities in connection with the IPO and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the DRHP, the RHP and the Prospectus;
- (xi) to negotiate, finalise, settle, execute and deliver or arrange the delivery of the BRLMs' mandate or engagement letter, the offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever, including any amendment(s) or addenda thereto, including with respect to the payment of commissions, brokerages and fees, with the BRLMs, registrar to the IPO, legal advisors, auditors, Stock Exchanges and any other agencies/intermediaries in connection with the IPO with the power to authorise one or more officers of our Company to negotiate, execute and deliver all or any of the aforesaid documents;
- (xii) to open and operate any bank account(s) required of our Company for the purposes of the IPO and

- the Pre-IPO Placement, including the cash escrow account, the public issue account as may be required;
- (xiii) deciding the pricing and all other related matters regarding the Pre-IPO Placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;
 - (xiv) approving the DRHP, RHP and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and the preliminary and final international wrap for the IPO together with any addenda, corrigenda and supplement thereto as finalised in consultation with the BRLMs, in accordance with all applicable laws, rules, regulations, notifications, circulars, orders and guidelines and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/modifications as may be required by and to submit undertakings/certificates or provide clarifications to SEBI or any other relevant governmental and statutory authority;
 - (xv) seeking the listing of the Equity Shares on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
 - (xvi) to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices, regulations and applicable law, including listing on one or more Stock Exchanges, with power to authorise one or more officers of our Company to sign all or any of the aforesaid documents;
 - (xvii) to make applications for listing of the Equity Shares on the Stock Exchange for listing of the Equity Shares of our Company and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
 - (xviii) accept and appropriate proceeds of the Fresh Issue in accordance with the Applicable Laws;
 - (xix) to do all such deeds and acts as may be required to dematerialise the Equity Shares of our Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of our Company to execute all or any of the aforesaid documents;
 - (xx) to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the IPO;
 - (xxi) to withdraw the DRHP or the RHP or to decide not to proceed with the IPO at any stage in accordance with the SEBI ICDR Regulations and applicable laws;
 - (xxii) to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in consultation with the BRLMs, deem necessary or desirable for the IPO, including without limitation, determining the anchor investor portion and allocation to Anchor Investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws and any documents or instruments so executed and delivered or acts and things done or caused to be done by committee shall be conclusive evidence of the authority of the committee in so doing;
 - (xxiii) to settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the IPO, including with respect to the issue, offer or allotment of the Equity Shares, terms of the IPO, utilisation of the IPO proceeds, appointment of intermediaries for the IPO and such other issues as it may, in its absolute discretion deem fit;
 - (xxiv) to take such action, give such directions, as may be necessary or desirable as regards the IPO and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the IPO, as are in the best interests of our Company;
 - (xxv) to negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as may be deemed necessary, appropriate or advisable

in order to carry out the purposes and intent of the foregoing or in connection with the IPO. Any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board shall be conclusive evidence of the authority of the Board in so doing; and

- (xxvi) to delegate any of the powers mentioned in (i) to (xxv) to such persons as the IPO Committee may deem necessary.

Composition of the members of the IPO Committee:

Name of the Directors	Position	Category
Mr. Parag Chheda	Chairman	Promoter/Joint Managing Director
Mr. Jayant Chheda	Member	Promoter /Managing Director
Mr. Mohinder Pal Bansal	Member	Independent Director

During the year under review, the IPO Committee did not meet.

Finance Committee

The Finance Committee was constituted by a resolution of the Board dated September 16, 2017 and reconstituted on February 11, 2020.

Scope and Terms of Reference:

- To avail new facility from any bank upto Rs. 25 crore and To renew Term Loans and/or Working Capital Facility from Banks, Financial Institutions, within the overall limits prescribed by the Shareholders of the Company from time to time.
- To renew the Bank Guarantees in favour of vendors or suppliers of the Company.
- To authorise opening and closing of bank accounts including Internet banking facility;
- To authorise additions/deletions to the signatories for operating bank accounts including Internet banking facility;
- To address and deal with such other matters as may be delegated by the Board to the Finance Committee from time to time.

Composition of the Finance Committee and the details of attendance by the Members at the meeting(s) held during the year under review are as under:

During the year under review, the Finance Committee met Three (3) times. The necessary quorum was present for all the Meetings.

The Finance Committee Meetings were held as follows:

September 3, 2020; November 14, 2020 and March 16, 2021

Finance Committee Meeting Attendance

Name of the Directors	Position	Category	Held during the tenure	Attended
Mr. Jayant Chheda	Member	Promoter/ Executive Chairman/Managing Director	3	3
Mr. Parag Chheda	Member	Promoter/ Joint Managing Director	3	3
Mr. Vipul Chheda	Member	Promoter/ Executive Director	3	3

Risk Management Committee:

Pursuant to the Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, Risk Management Committee of the Board of the Company was formed with effect from June 25, 2020 for Monitoring and reviewing of the risk management plan, identifying and assessing the nature and extent of internal and external risks that may impact the Company in achieving its strategic objectives.

Brief Terms of Reference:

- 1) oversee and guide in developing a structured/ defined framework for identifying and assessing and reporting of both existing and new risks associated with the Company so as to facilitate timely and effective management of risks and opportunities for achieving the Company's objectives
- 2) oversee and guide in developing a structured/defined framework for identifying and assessing and reporting of both existing and new risks associated with the Company so as to facilitate timely and effective management of risks and opportunities for achieving the Company's objectives;
- 2) periodic review of Risk Management Framework ('the Framework') comprising of policies, procedures and practices of the Company and to assess the effectiveness of the same and initiate corrective actions wherever required including any change that may be required to the framework in the light of various external and internal factors (whether political, sociological or technical or other) which will have impact on the business of the Company;
- 3) adopt and review periodically best business practices and policies;
- 4) review and monitor compliance with the regulatory framework and the statutory requirements;
- 5) set/define standardised approach for minimization and mitigation of identified risks review and guide the senior management from time to time in setting up a work culture which would encourage staff/ team of the Company at all levels to identify risks and opportunities and respond them effectively;
- 6) review reports on any material breaches of risk limits/ parameters and the adequacy of the proposed action;
- 7) before a decision to proceed is taken by the board, advise the board on proposed strategic transactions including acquisitions or disposals, ensuring that a due diligence appraisal of the proposition is undertaken, focusing in particular on risk aspects and implications for the risk appetite and tolerance of the Company, and taking independent external advice where appropriate and available;

The Risk Management Committee met one (1) time during the Financial Year 2020-21. The necessary quorum was present for the Meeting. The Risk Management Committee Meetings were held as follows:

February 3, 2021

The Composition of the Risk Management Committee and details of meetings attended by its members during the financial year 2020-21 is given below:

Name of the Directors	Position	Category	Held during the tenure	Attended
Mr. Ramesh Chandak	Chairman	Independent / Non-Executive Director	1	1
Mr. Mohinder Pal	Member	Independent / Non-Executive Director	1	1
Mr. Parag Chheda	Member	Promoter/ Joint Managing Director	1	1
Mr. Shyam Sharda	Member	Chief Financial Officer (CFO)	1	1

4. CEO/ CFO CERTIFICATION

Mr. Jayant Chheda, Chairman and Managing Director & Mr. Shyam Sharda, Chief Financial Officer, has issued necessary certification to the Board in terms of Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was taken on record by the Board at its meeting held on May 12, 2021.

A copy of this certificate is annexed to this Report at **Annexure B**.

5. GENERAL BODY MEETING:

Details of Last Three Annual General Meetings (AGM):

Particulars	FY 2017-18	FY 2018-19	FY 2019-20
Date	August 20, 2018	September 27, 2019	September 23, 2020
Time	11:00 AM	11:00 AM	11:30 AM
Venue	Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa- 403530.	Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa- 403530.	Through Video Conferencing (VC) /other Audio Visual means (OAVM)
Special Resolutions	-	-	<ol style="list-style-type: none"> 1 Re-appointment of Mr. Jayant Chheda (DIN: 00013206) as a Chairman and Managing Director of the Company and approval of his remuneration. 2 Re-appointment of Mr. Parag Chheda (DIN: 00013222) as a Whole Time Director designated as a Joint Managing Director of the Company and approval of his remuneration. 3 Re appointment of Mr. Vipul Chheda (DIN: 00013234) as a Whole time Director of the Company and approval of his remuneration. 4 Re-appointment of Mr. Ramesh Chandak (DIN: 00026581) as an Independent Director of the Company. 5 Re-appointment of Mr. Mohinder Pal Bansal (DIN:01626343) as an Independent Director of the Company. 6 Re-appointment of Mrs. Uma Mandavgane (DIN: 03156224) as an Independent Director of the Company. 7 Alteration of the Articles of Association of the Company. 8 Keeping registers, returns etc at registered office/ other Place. 9 Approval to deliver document through a particular mode as may be sought by the member.

Extra Ordinary General Meeting:

During the year, the Company has not conducted any Extra Ordinary General Meeting.

Postal Ballot

The Company has not passed any Special Resolution through postal ballot during the Financial Year 2020-21.

6. MEANS OF COMMUNICATION

Subsequent to the listing of the Company on December 30, 2019, the Company has been undertaking dissemination of information in line with the Listing Regulations on its website at www.princepipes.com. The information is also filed by the Company on the BSE Limited and National Stock Exchange of India Ltd. The Company interacts on a regular basis with its stakeholders through results, announcements, annual report, press releases and Company's website.

Financial Calendar	April 01, 2020 – March 31, 2021	
Date of the Board Meeting at which the final accounts were approved	May 12, 2021	
34th Annual General Meeting	Date:	September 15, 2021
	Day:	Wednesday
	Time:	11.30 A.M
	Venue/Virtual Meeting	The Company is conducting meeting through VC /OAVM pursuant to the MCA/SEBI circular and as such there is no requirement to have a venue for the AGM. For details please refer to the notice of this AGM.
Date of the Book Closure	Thursday, September 09, 2021 to Wednesday September 15, 2021	
Dividend Payment Start Date	September 23, 2021 onwards after making adjustments of TDS in the dividend of members as per Income Tax Act 1961, If final dividend is approved by the members.	
Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 The National Stock Exchange of India Ltd. Exchange plaza, 5th floor, Bandra-kurla Complex, Bandra (E), Mumbai 400051.	
Date of Listing	December 30, 2019	
Stock Code	BSE: 542907 NSE: PRINCEPIPE	
Corporate Identity Number (CIN)	L26932GA1987PLC006287	
ISIN	INE689W01016	
Company's Address for correspondence	Mr. Shailesh Bhaskar Company Secretary & Compliance Officer 8th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai – 400 028 Tel: 022 – 6602 2222 Fax: 022 – 6602 2220 Email id: investor@princepipes.com Website: www.princepipes.com Mr. Rabindra Basu Investor Relation 8th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai – 400 028 Tel: 022 – 6602 2222 Fax: 022 – 6602 2220 Email id: investor@princepipes.com Website: www.princepipes.com	
Address of the Registrars & Share Transfer Agents of the Bank	Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400 083, Tel: 022 49186000 Fax: 022 49186060 Email id: rnt.helpdesk@linkintime.co.in	

Financial Calendar (Tentative):

Unaudited Financial Result for the first quarter ending June 30, 2021	On or before August 14, 2021
Unaudited Financial Result for the second quarter ending September 30, 2021	On or before November 14, 2021
Unaudited Financial Result for the third quarter ending December 31, 2021	On or before February 14, 2022
Audited Financial Result for the year ending March 31, 2022	Within 60 days of the close of financial Year ending on March 31, 2022 i.e. On or before May 30, 2022

Dividend Payment:

During the year under review, your Company had declared the interim dividend for the Financial Year 2020-2021 on November 03, 2020. An interim dividend of ₹ 1.5/- (Rupees One and Half only) (at the rate of 15 percent) on each fully paid-up equity share of ₹ 10/- (Rupees Ten Only) of the Company amounting to ₹ 165.04 million was paid out of the profits of the Company for the period ended September 30, 2020 to those members of the Company whose names appeared in the Register of Members of the Company on November 17, 2021, being the Record Date for payment of Interim Dividend.

Directors have further recommended a Final dividend of ₹ 2.0 /- per share for financial year 2020-2021 on its paid up equity share capital, as may prevail on the record date fixed for the purpose of dividend eligibility of the members, subject to approval of members in the ensuing Annual General Meeting of the Company.

The details with respect to unpaid/unclaimed dividend are available on the Company's website at www.princepipes.com.

Pursuant to the provisions of Regulation 43A of SEBI (LODR) Regulations, 2015, the Company has formulated its Dividend Distribution Policy which is available on the website of the Company at www.princepipes.com.

Payment of Listing Fees:

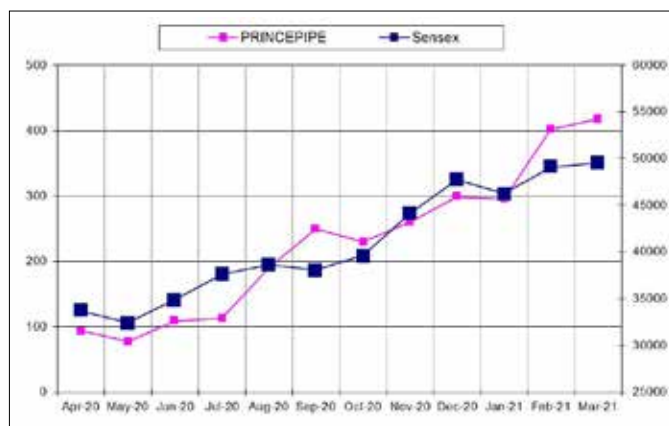
The Company has paid the Annual Listing Fees to both the Stock Exchanges for the Financial Year 2020-2021 within the stipulated time.

Stock Market Price Data of Company's shares

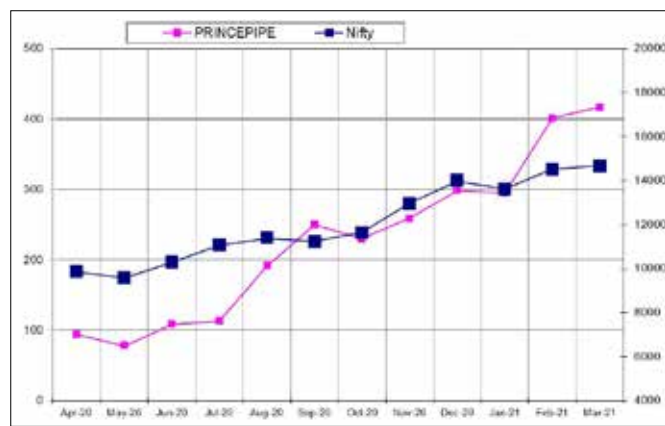
The Company's shares were listed on the exchanges w.e.f. December 30, 2019. The monthly high and low price of the Company's shares traded on the BSE Limited and National Stock Exchange of India Limited during the period April 01, 2020 to March 31, 2021 are as under.

Month	BSE		Month	NSE	
	High	Low		High	Low
Apr-20	113.95	92.00	Apr-20	114.00	92.00
May-20	93.75	75.00	May-20	93.60	75.30
Jun-20	124.55	80.05	Jun-20	124.65	80.00
Jul-20	118.50	102.15	Jul-20	115.80	102.00
Aug-20	206.95	107.05	Aug-20	206.80	107.15
Sep-20	260.40	177.45	Sep-20	260.75	177.00
Oct-20	259.00	210.40	Oct-20	259.00	210.00
Nov-20	281.20	221.00	Nov-20	281.05	220.00
Dec-20	302.00	243.55	Dec-20	300.65	244.55
Jan-21	321.55	277.60	Jan-21	321.50	281.10
Feb-21	434.80	283.00	Feb-21	434.75	293.85
Mar-21	479.65	384.85	Mar-21	480.00	385.00

Performance of the Company's equity shares relative to S&P BSE SmallCap from April 2020 and up to March 31, 2021



Performance of the Company's equity shares relative to Nifty50 from April 2020 and up to March 31, 2021



Share Transfer System:

The shares of the Company are traded on the Stock Exchanges through the Depository System. 100% of the Equity Shares of the Company are in dematerialised form. All requests received by the Company/ RTA are disposed of expeditiously.

Shareholding pattern as on March 31, 2021:

Sr No	Category of shareholders	No of Shareholders	No of Shares	% of Shareholding
(A)	Shareholding of Promoter and Promoter Group	11	69588856	63.25
(B)	Public Shareholding			
[1]	Institutional Investors			
	Mutual Funds / UTI	19	11507426	10.46
	Alternate Investment Funds II	8	5658259	5.14
	Foreign Portfolio Investor	6	2671979	2.43
	Financial Institutions / Banks	0	0	0.00
	Insurance Companies	0	0	0.00
	Any Other (Specify)	0	0	0.00
	Sub Total (B)(1)	33	19837664	18.03
[2]	Non-Institutional Investors			
	Individuals	54020	13008891	11.82
	Trust	0	0	0.00
	Hindu Undivided Family	908	337056	0.31
	Foreign Companies	1	5926820	5.39
	NRI	655	388833	0.35
	Clearing Member	149	236880	0.22
	Bodies Corporate	133	700759	0.64
	Any Other (Specify)	0	0	0.00
	Sub Total (B)(2)	55866	20599239	18.72
	Total Public Shareholding(B)=(B)(1)+(B)(2)	55899	40436903	36.75
	Total (A)+(B)	55910	110025759	100

Distribution of Shareholding as on March 31, 2021:

Sr. No	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	53817	96.26	3452598	3.14
2	501	to	1000	931	1.67	705205	0.64
3	1001	to	2000	508	0.91	749098	0.68
4	2001	to	3000	193	0.34	479016	0.44
5	3001	to	4000	107	0.19	376681	0.34
6	4001	to	5000	64	0.11	298348	0.27
7	5001	to	10000	133	0.24	966170	0.88
8	10001	to	*****	157	0.28	102998643	93.61
Total				55910	100.00	110025759	100.00

Lock-in of Equity Shares:

As on March 31, 2021, total 2,20,44,848 pre-issue shares, were under lock-in which is for a period of 3 Years from December 26, 2019 to December 26, 2022.

Dematerialisation of Shares and Liquidity

Trading in Company's Equity Shares is compulsorily in dematerialised mode for all investors, as prescribed by the Securities and Exchange Board of India. As on date, entire share capital of the Company are held in dematerialised mode. The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensures the necessary liquidity to shareholders.

As on March 31, 2021, 100% of company's shares were held in demat mode as per the statement given below.

Category	No of Shares	% of Holding
NSDL	101146820	91.93
CDSL	8878939	08.07
Total	110025759	100.00

Compliance with Secretarial Standards:

The Institute of Company Secretaries of India issued Secretarial Standards for Board and General Meetings in exercise of powers under Section 118 of the Companies Act, 2013. The Company complies with all requirements of said Secretarial Standards.

Reconciliation of Share Capital Audit:

Reconciliation of Share Capital Audit under Regulation 76 of Securities Exchange Board of India (Depositories and Participants) Regulations, 2018, were carried out by a Practicing Company Secretary for each quarter for the Financial Year 2020-21, to reconcile the total admitted capital with National Securities

Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total paid-up, issued and listed capital. The Reconciliation of Share Capital Audit Reports (the Audit report) confirm that the total issued, subscribed and paid-up capital is in agreement with the total number of shares in physical form and dematerialized form held with the depositories. The said Audit Reports for quarter ended June 2020, September 2020, December 2020 and March 2021 have been filed with Stock Exchanges within the stipulated time.

Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants or any convertible instruments, conversion date and likely impact on equity:

As on March 31, 2021, the Company does not have any outstanding GDRs/ADRs/warrants or any convertible instrument.

Commodity price risk or foreign exchange risk and hedging activities:

The sources of risks which the company is exposed to and their management is given under Note no. 32 titled as "Financial Risk Management Objectives (Ind AS 107)" of the Financial Results as annexed to this Annual Report.

Details and utilization of proceeds from public issue, rights issue, preferential issue etc:

Your Company has appointed HDFC Bank Limited as the Monitoring agency in terms of regulation 16 of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 as amended, to monitor the utilization of IPO proceeds and Company has obtained monitoring reports from the Monitoring agency from time to time and filed the same with both exchanges where equity shares of the Company are listed. The proceeds realized by the Company from the initial Public offering shall be utilized as per objects of the offer as disclosed in the Prospectus of the Company.

Out of the IPO proceeds of ₹ 2,500 million, your Company has utilized ₹ 1285.26 million as per objects of the offer and unutilized amount of ₹ 1,214.74 million has been invested in the fixed deposits with the Bank. The proceeds of the issue were mainly utilized for repayment or prepayment of certain outstanding loans availed by our Company, upgradation of equipments, setting up of new plant at Telangana and General corporate purposes. There has been no deviation in the utilization of the IPO proceeds of the Company. The Monitoring Agency Reports' are available at the Company's website at www.princepipes.com.

Further, the details of Utilisation of Net IPO Proceeds and proceeds from Pre IPO placement for the year ended March 31, 2021 has been provided in notes to the Accounts.

Plant locations

Plant	Address
Athal(Dadra & Nagar Haveli)	Survey No. 132/1/1/3, Athal road, Village Athal, Naroли, Silvassa, D&H-396235
Dadra(Dadra & Nagar Haveli)	Survey No. 53,85,91,92,93 Jayant Desai Marg, Vaghdhara Road, Dadra, Silvassa- D&H-396191
Haridwar (Uttarakhand)	MEHDOOD, Khasra no.1548/49-4 and 5, salempur,2 Bahadrabad, Haridwar Uttarakhand-249402
Kolhapur(Maharashtra)	"Post-Shinoli, GUT no.96, 1-9, Dewarwadi Village, Chandgad Taluka, Kolhapur, Maharashtra- 416507
Chennai(Tamilnadu)	Azhinjivakkam Post, Via- Sholavaram, Plot no-64, Irulliputtu village, Ponneri, CHENNAI, Tiruvallur- Tamilnadu
Jaipur(Rajasthan)	Khasara No 102, 178/103,104,105,106, 1709/170,115/2 Etc, At Village- Asalpur, Tehsil- Sambhar Lake, Jaipur Rajasthan - 303604
Sangareddy(Telangana)	Survey No.160/01,161,161/01,161/02/2, G.p.sadashivpet Mandal, Yenkepally Village, Sangareddy, Telangana, 502291

Credit Rating:

The company has obtained rating from CARE Ratings Ltd on the bank facility availed during the year ended March 31, 2021 which was specified below.

Facilities	Amount (Rs. crore)	Rating	Rating Action
Long term bank facilities – Term Loans	30.04 (64.24)	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed and outlook revised from stable
Long term bank facilities – Fund Based	190.00 (enhanced from Rs. 175.00 crore)	CARE A-; Positive (Single A Minus; Outlook: Positive)	Reaffirmed and outlook revised from stable
Short term bank facilities	317.00 (enhanced from Rs. 252.00 crore)	CARE A2+ (A Two Plus)	Reaffirmed
Total Facilities	537.04 (Rs. Five Hundred Thirty-Seven crore and Four Lakhs Only)		

5. The information required under the Management Discussion and Analysis Report has been aptly covered under the Directors' Report.

6. OTHER DISCLOSURES

Material Transaction with Related Parties

All Related Party Transactions as defined under the Companies Act, 2013 were in the ordinary course of business and on at Arm's Length basis. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website at www.princepipes.com.

Details of Compliance:

There have been no instances of non-compliance by the Company, imposition of penalties and strictures by the stock exchanges(s), SEBI or any statutory authority, on any matter related to the capital markets, during the last three years.

Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the The Companies Act, 2013 Act, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at www.princepipes.com.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The said policy is available on the website of the company at www.princepipes.com.

During the period under review, the Company had not received any complaints on sexual harassment under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Policy for determining 'material' subsidiaries:

The Board of Directors of the Company has adopted a policy for determination of material subsidiaries and the same is published on the website at www.princepipes.com. During the year under review, the Company does not have any material subsidiary.

Disqualification of Directors:

M/s. Sanjay Dholakia & Associates, Company Secretaries in Practice, (PCS No. 1798) have certified that as on March 31, 2021, none of the Directors on the Board 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, Ministry of Corporate Affairs or any such statutory authority. Certificate is annexed to this Report as *Annexure C*.

Recommendations of Committees:

All recommendations of the committees from time to time have been considered by the Board of Directors, while arriving at any decision, and there has been no instance during the year under review, where any such recommendation which is mandatory in nature has not been abided with.

Total fees for services paid to Statutory Auditor:

The total fees incurred by the Company for services rendered by Statutory Auditors are given below

Fee paid (excluding taxes)	Amount (₹ in Million)
Statutory Audit/Limited review	4.00
Certification and other attestation services	0.13
Non-audit services	0.03
Total	4.16

Discretionary Requirements (Part E of Schedule II Of Listing Regulations):

The Board:

As on financial year ending March 31, 2021, Mr. Jayant Chheda (Managing Director) was the Chairman of the Board.

Shareholders' right:

Quarterly and half yearly financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events are also posted on the Company's website under the Investors section along with uploading with the stock exchanges.

Modified opinion(s) in audit report:

During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices to ensure a track record of financial statements with unmodified audit opinion on financial statements.

Reporting of internal auditor:

Internal Auditors are invited to the meetings of Audit Committee to make presentation to the Committee on their observations during the course of their Internal Audit.

Date: August 05, 2021

Place: Mumbai

Details of Compliance with Mandatory Requirement:

Post listing of shares of the Company on December 30, 2019, all disclosures in compliance with the Corporate Governance requirement specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 to the extent applicable are uploaded on Company' website at www.princepipes.com and have complied with the said regulations.

Compliance certificate from Practising Company Secretary regarding compliance of conditions of corporate governance:

A certificate from Practising Company Secretary regarding compliance of conditions of Corporate Governance is annexed to this Report as *Annexure D*.

Sd/-
Jayant Chheda
Chairman & Managing Director
(DIN:00013206)

ANNEXURE A

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Company has laid down a Code of Conduct for all its Board Members and Senior Management personnel of the Company. The code of conduct has also been posted on the website of the Company i.e. www.princepipes.com. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2021, as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd/-
Jayant Chheda
 Chairman & Managing Director
 (DIN:00013206)

Date: May 12, 2021
 Place: Mumbai

ANNEXURE B

MD/CFO CERTIFICATION

To,
 The Board of Directors,
 Prince Pipes and Fittings Limited

We, Jayant Shamji Chheda, Chairman and Managing Director and Shyam Sharda, Chief Financial Officer hereby certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the Quarter and year ended March 31, 2021 and that to the best of our knowledge and belief:
 - 1) the statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) the statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - 1) Significant changes in internal control over financial reporting during the year;
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
 Date: May 12, 2021

Jayant Chheda
 Chairman and Managing Director
 (DIN: 00013206)

Shyam Sharda
 Chief Financial Officer

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
PRINCE PIPES AND FITTINGS LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PRINCE PIPES AND FITTINGS LIMITED having CIN L26932GA1987PLC006287 and having registered office at Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari Honda, Goa 403530 (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 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

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

Further we have to state that we have not carried out the physical inspection of any records maintained by the Company due to prevailing lock down conditions owing to COVID 2019 across the country. We have relied on the records as made available by the Company by digital mode and also on the Management Representation Letter issued by the Company.

For SANJAY DHOLAKIA & ASSOCIATES

(SANJAY DHOLAKIA)
Practising Company Secretary
Proprietor

Place: Mumbai
Date: August 05, 2021

FCS 2655 CP 1798
UDIN: F002655C000721241

ANNEXURE D

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
PRINCE PIPES AND FITTINGS LIMITED
CIN L26932GA1987PLC006287
GOA

We have examined the compliance of conditions of Corporate Governance PRINCE PIPES AND FITTINGS LIMITED, for the year ended on 31st March 2021, as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated under the above mentioned Listing Regulations, as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Director and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Date: August 05, 2021

Place: Mumbai

UDIN: F002655C000734496

BUSINESS RESPONSIBILITY REPORT

Introduction

Prince Pipes and Fittings Limited (“the Company” or “We”) presents its Business Responsibility Report for the financial year ended March 31, 2021 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI notification dated November 4, 2015.

The disclosures on Business Responsibility are aligned with the nine principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, as notified by the Ministry of Corporate Affairs (‘MCA’), Government of India.

Over the years, the Company has been striving to build and maintain a strong structure by bringing together strengths to unlock new avenues for growth and delivering a more diversified suite of products and services to meet the needs of a growing India. We are committed towards constant innovations in plumbing, irrigation and sewerage technologies to meet the nation’s constantly increasing water demands. We aim to pave the way for a future that provides clean water for everyone and everywhere; from the smallest villages to the largest cities. With the use of Manufacturing process to create extremely efficient piping systems, we aim at low-cost, non-contaminated water transport in every part of the country. The Company’s underground drainage systems provide hassle-free sewerage for every situation.

Thus, the culture of and awareness regarding catering to environmental, social, health and safety needs are imbibed in the very nature of the Company’s business model. We embrace environmental and social responsibility while creating value for our stakeholders.

The Company’s philosophy on each principle is reproduced below:

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

We believe that for a successful and sustainable business, a strong foundation of ethical corporate citizenship and establishment of good corporate culture is essential. We are committed to operate our business ethically in a manner such that all stakeholders i.e. investors, creditors, distributors, customers, employees, and even competitors, the government and the society at large, are dealt with in a fair manner. We have always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company.

The Company strives to maintain high standards of ethics in all spheres of its business activities. The Board of Directors and

Senior Management strive and endeavor to set examples of utmost ethical behavior.

The Company’s core management team aims at inculcating ethical behavior at all levels across the Company making it an essential part of the work culture so that every employee of the Company conducts himself with professionalism, honesty and integrity, and conforms to high moral and ethical grounds.

The Company has in place a Human Resources Manual covering internal code of conduct and business ethics which every employee needs to abide by. We ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through the Company’s Vigil Mechanism. We also encourage our business partners and third parties with whom we conduct business to abide by this policy.

Further, the Company also encourages transparency of operations by ensuring that the statutory disclosures are governed by the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Determination of Materiality Policy, etc. The Company also regularly publishes necessary disclosures, investor presentations and important updates on its website. The Company informs all relevant stakeholders of the operating risks and strives to redress the issues raised as promptly as possible, being accountable for its actions.

The Company has zero tolerance for bribery and corruption in its business dealings and it believes in free and open competition and does not encourage any anti-competitive or unfair practice.

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

We believe that sustainable development meets the needs of the present, without compromising the ability of future generations to meet their own needs. The Company endeavours to implement the principles of sustainability into the various stages of product or service lifecycle, including procurement of raw material/ service, manufacturing products or delivery of service, transportation of raw materials and finished goods, and disposal by consumers. We strive to ensure that the exploitation of resources, direction of investments, orientation of technological development and institutional change are in harmony and enhance both current and future potential to meet the human needs and aspirations.

The Company creates consumer awareness regarding their rights through product labelling, appropriate and helpful marketing communication, mentioning full details of contents and composition as per the applicable laws and promotion of safe usage and disposal of products. The Company ensures that

manufacturing processes and technologies required to produce its products are resource efficient and sustainable, even while designing the products.

Principle 3: Businesses should promote the well-being of all employees

Well-being of all employees is of prime importance to the Company. Safety, health and work life balance of employees are extremely important to the Company. We believe in giving our employees ample opportunities of growth by encouraging them to suo moto take up initiatives in the interest of the Company so that they are motivated, result oriented and committed to achieve excellence in their domain. We strive to provide work environment in which all individuals are treated with mutual respect and dignity.

The Company follows a policy of not employing child labour, adolescent labour, forced labour or any form of involuntary labour, paid or unpaid in any of its offices and plants and ensures fair, timely and transparent payment of statutory wages to all its employees without discrimination. The Company has a Policy on Prevention of Sexual Harassment, which deals extensively on providing a safe working environment and protection from sexual harassment.

The Company provides a workplace environment that is safe, hygienic, humane and which upholds the dignity of the employees. It provides facilities for the well-being of its employees including those with special needs. The Company also complies with the statutory provisions pertaining to its employees and in particular about the health, safety and well-being of our employees.

We regularly conduct programs for enhancing the skills of its employees, improve their morale and for their overall career development. This is done through various sensitization programs, on-the-job training or training through various programmes - internal or external to upgrade their skills and competencies which shall include training to handle machines, raw materials and other products used during manufacturing of the products. Such trainings are imparted on a non-discriminatory basis based on the needs of the employees/ business.

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

We believe in the principle that the interest of all stakeholders must be protected and at the same time, the Company must be responsive towards them and their needs, especially those who

are disadvantaged, vulnerable and marginalised. Stakeholder engagement leads to increased transparency, responsiveness,

compliance, organisational learning, quality management, accountability and sustainability. The Company identifies its stakeholders, understands their concerns and commits to engage with them. We acknowledge, assume responsibility and are transparent about the impact of our policies, decisions, products, services and associated operations on the stakeholders.

Principle 5: Businesses should respect and promote human rights

The Company respects and promotes human rights of all individuals. It is committed to identify, prevent, and mitigate adverse human rights impact resulting from or caused by business activities beforehand or if they occur, through human rights due diligence and mitigation processes. We recognize the Company's impact on the communities in which we operate. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

The Company aims at integrating respect for human rights in management systems, through assessing and managing human rights impact of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms. Within its sphere of influence, the Company promotes awareness and realization of human rights across its value chain.

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

The Company is committed to adopt business practices that create long term stakeholder value by implementing opportunities and managing risks arising from economic, environmental and social developments. We strive to utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.

We ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably and continuously seek to improve our environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

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

We understand that during the course of Company's operations, consistent and transparent interactions with various regulatory authorities and social organisations are required to be undertaken.

We ensure that our engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interest of diverse stakeholders. We engage with industry bodies and associations to influence public and regulatory policy in a responsible manner.

The Company works with industry organisations which are engaged in policy advocacy in a responsible manner and ensure that advocacy position remains consistent with its values and philosophy.

Principle 8: Businesses should support inclusive growth and equitable development

We believe that sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet. In order to achieve inclusive growth and equitable development, harmony of economic growth, social inclusion and environment protection is important.

The Company is committed to ensure protection of interest of all its stakeholders. In order to achieve inclusive growth and equitable development, we engage in various CSR projects in accordance with Schedule VII of the Companies Act, 2013.

We also innovate and invest in products, technologies and processes that promote the well-being of society and make efforts to complement and support the development priorities at local and national levels and ensure appropriate resettlement and rehabilitation of communities who have been displaced owing to our business operations.

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

The Company discloses all information truthfully and factually as per applicable laws and educates customers through product labelling, advertisements, van activities, factory visits, trainings to dealers, shop retailers, plumbers, farmers, etc. and such other means, including information regarding the risks to the individual, society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. We take into account the overall well-being of the customers and that of society while serving the needs of its customers.

We have in place, an adequate consumer feedback mechanism to address consumer concerns and feedback. The Company also ensures that the customers' data collected by it does not infringe upon the right of privacy of its customers.

Section A: General Information about the Company

Corporate Identity Number (CIN) of the Company	L26932GA1987PLC006287	
Name of the Company	Prince Pipes and Fittings Limited	
Registered Address	Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari Honda, Goa, India 403530	
Website	www.princepipes.com	
E-mail ID	investor@princepipes.com	
Financial Year reported	April 01, 2020 – March 31, 2021	
Sector(s) that the Company is engaged in (industrial activity code-wise)	Industrial Group: 222 Class: 2220	Group Description Manufacture of plastics products Manufacture of plastics products
	<i>As per National Industrial Classification – The Ministry of Statistics and Programme Implementation.</i>	
Threekeyproduct/ servicesmanufactured (as in Balance sheet)	<ol style="list-style-type: none"> CPVC, UPVC, PPR Pipes (Chlorinated Polyvinyl Chloride, Unplasticized Polyvinyl Chloride and Poly Propylene Random (copolymer) Pipes) SWR Pipes (Soil, Waste and Rain Pipes) Fittings <p>For Plumbing, Agriculture and Sewage The other key products of the Company include Water Tanks, Cable Ducting, DWC Pipes.</p>	

Total number of locations where business activity is undertaken by the Company: (a) Number of International Locations (b) Number of National locations	(a) None (b) Athal, Dadra, Haridwar, Kolhapur, Chennai, Jaipur and Telangana
Markets served by the Company – Local/ State/ National/ International:	All

Section B: Financial Details of the Company:

1.	Paid up capital (INR)	1,100.26 million as on March 31, 2021
2.	Total Turnover (INR)	20,715.17 million as on March 31, 2021
3.	Total profit after taxes (INR)	2,218.32 million as on March 31, 2021
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR activities for the financial year ended March 31, 2021 INR 25.8 million, i.e. 1.16% of Profit After Tax. You may refer to Annexure A of the Board's Report.
5.	List of activities in which the CSR expenditures have been incurred	You may refer to Annexure A of the Board's Report.

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)	Not Applicable
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? [<30%, 30-60%, >60%]	Several stakeholders engage with the Company in the course of its business such as suppliers, distributors, customers, government agencies, similar economic groups and other related entities. The Company promotes BR initiatives across its value chain. However, none of them directly participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of the Director/ Directors responsible for BR

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

Mr. Parag Chheda, Joint Management Director (DIN: 00013222) has been authorized by the Board of Directors as its meeting held on 31 July 2020, for overseeing implementation of the Company's Business Responsibility Policy along with the other executive and department heads of the Company.

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00013206
2	Name	Mr. Jayant Chheda
3	Designation	Chairman and Managing Director
4	Telephone number	022 6602 2222
5	E-mail ID	investor@princepipes.com

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

Reference	Principle	Heading	Description
P1	Principle 1	Ethics, Transparency, Accountability	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Principle 2	Product Lifecycle Sustainability	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Principle 3	Employees' Well Being	Business should promote wellbeing of all employees
P4	Principle 4	Stakeholder Engagement	Business should respect the interests of and be responsive towards all stakeholders especially the disadvantaged, vulnerable and marginalized
P5	Principle 5	Human Rights	Business should respect and promote human rights
P6	Principle 6	Protection of The Environment	Business should respect, protect, and make efforts to restore the environment
P7	Principle 7	Responsible Principle Advocacy	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Principle 8	Support Inclusive Growth	Businesses should support inclusive growth and equitable development
P9	Principle 9	Providing Customer Value	Business should engage with and provide value to their customers and consumers in a responsible manner

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
<i>Refer Note 1</i>										
4.	Is the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
<i>Policies have been approved by the Board or Senior Management of the Company at various dates and are reviewed annually or as and when required.</i>										

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	NA	Y	Y
<i>Refer Note 2</i>										
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
<i>Refer Note 3</i>										
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	NA	Y	Y

Note 1: The Company's Policies are in consonance with the Companies Act, 2013 (the 'Act'), applicable SEBI regulations and other regulations/ guidelines prescribed by statutory and regulatory authorities.

Note 2: The following policies are available on <https://www.princepipes.com/policies/>

- Policy for Determining Material and Price Sensitive Information by Companies
- Vigil Mechanism Policy
- Dividend Distribution Policy
- Code of Practices and Procedure for Fair Disclosure
- Archival Policy
- Code of Conduct for Directors and Senior Management
- Corporate Social Responsibility Policy
- Environmental and Social Policy
- Insider Trading Policy
- Materiality Policy
- Policy on Related Party Transactions

In addition to the above, other internal policies of the Company such as Business Responsibility Policy, Integrated Management System Policy, Human Resources Manual covering internal code of conduct and business ethics, Prevention of Sexual Harassment Policy, Branding and Logo Manual/ Policy, etc. are available on the Company's internal portal and are shared with the relevant stakeholders as and when necessary.

Note 3: The Company has established grievance mechanisms for different stakeholders under relevant policies. In addition, grievance or feedback related to the policies can be sent to investor@princepipes.com. The Company also has a Stakeholders Relationship Committee to resolve any grievances of the stakeholders.

b) If answer to the question at serial number 1 against any principle, is “No”, please explain why: (Tick up to 2 options) -

Sr. No.	Questions	Principle 7
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	In relation to Principle 7, the Company is a member of some trade organizations and participates in various trade seminars and exhibitions. We prefer to be a part of the broader policy development process and give our suggestions in a responsible manner. However, the Company does not feel a need of a formal policy at this stage and may consider adopting a policy for the same in future.
3.	The company does not have the 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 next 1 year	-
6.	Any other reason (please specify)	

3. Governance related to BR:

(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.

Mr. Parag Chheda, Joint Managing Director has been given the responsibility of implementation of the BR Policy under the guidance of Mr. Jayant Chheda, Chairman and Managing Director who has been designated as the BR Head. The Policy is appropriately communicated within the Company across all levels and is displayed on the Company’s intranet.

Compliance with the BR Policy is monitored and evaluated by the BR Head and along with the core management team of the Company on a regular basis. The Company also proposes to get its BR performance assessed by the CSR Committee or the Stakeholders Relationship Committee as and when required.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the first year when the Company would be publishing its Business Responsibility Report. The same will be published by the Company annually along with its Annual Report on the website of the Company: <https://www.princepipes.com/>.

Section E: Principle-wise Performance

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

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

The Company has various documents and policies covering issues such as ethics, bribery and corruption which include the Vigil Mechanism Policy, Human Resources Manual covering internal code of conduct and business ethics, Prevention of Sexual Harassment Policy, Code of Conduct for Directors and Senior Management, etc. The Company ensures that the essence of all these policies is also extended to the external stakeholders of the Company including vendors, contractual resources, visitors through the course of business engagement.

The core values of business of the Company such as ethical standards, respect, transparency and commitment to quality are also stated in the Company’s Human Resources Manual covering internal code of conduct and business ethics.

The Company conducts all its business activities in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption in all its business dealings and relationships.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactory resolved? If so, provide details thereof, in about 50 words or so.**

The Company received 5 investor complaints during the year under review. All these complaints were duly resolved. During the year under review, no complaints relating to ethics, bribery and corruption were filed against the Company. The Company had not received any whistle blower complaints or complaints on sexual harassment under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013, during the year.

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

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

- a. **Vent Cowl PVC Jalli 110mm - SWR (Vent cowl integrated jalli)**

This product has been developed as a plastic injection moulded vent cowl with inbuilt jalli (net). The vent cowl is used in houses and offices for ventilation purposes to allow foul gases generated in the system to escape. Vent cowls are also designed to fit the top of toilet vent pipes, to reduce pan syphoning.

This enables the effective discharge of polluted air outside the building. The inbuilt net prevents mosquitos from entering the house through wastewater line and relatedly prevents diseases like Malaria, Dengue, Chikungunya, etc. caused by Mosquito bites. meet hygiene, durability as per the application requirement and functional requirements. As a policy, the Company refrains from using any degraded/ post- consumer waste material for its products.

As a one of the leading plastic processor and producer of diversified finished products, the Company has entered into technical collaborations for its product line and has testing labs and quality facilities at its plants to regularly carry out different test work on products at various stages of production process to ensure that required standards and efficiencies are maintained.

- b. **Hands Free Sanitizing Unit (2 models - Eco Compact and Eco Heavy)**

In wake of the outbreak of COVID-19 pandemic, hands free sanitizing unit has been developed by the Company. This

product is used to dispense hand sanitizer/ hand wash by using one's foot, without touching the bottle/ unit in order to prevent the spread of Corona virus infection. We have also installed such sanitizing units at various government and other public service offices.

- c. **Double Wall Corrugated ('DWC') pipes from 100mm to 1000mm**

In line with demand for newer products for various applications, we have developed Double Walled Pipes using High Density Polyethylene. This pipe has been developed to replace the age-old Reinforced Concrete Cement pipes. DWC pipes are used in underground sewerage systems in municipalities and households. The internal surface helps in smooth flow of sewerage. Due to its flexibility, DWC pipes allow deformation in diameter as well as in joints under external load and soil's natural movement and hence operate years after

The Company also encourages and conducts factory visits to inculcate complete knowledge on various products of the Company. At such visits, we showcase our product and hands on demo section including advance testing laboratories and classroom trainings for familiarizing with safety standards to the visiting farmers, customers, plumbers, architects, contractors, engineers etc. The Company imparts extensive trainings to the influencers viz. the plumbers, plumbing contractors, architects, engineers, consultants, farmers etc. Beside awareness on various products manufactured by the Company and its end applications, this educates people more about plastic piping products and its advantages over the conventional materials.

Our products incorporate social and environmental concerns. The Company has also introduced underground water storage tanks, double wall corrugated pipes for underground sewage and drainage which are the testimony of the Company's philosophy of providing safe and sustainable products throughout their life cycle.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- a) **Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?**

Our drive for continuous improvement and innovation has enabled us to reduce process waste, lower energy consumption, increase productivity and release new products, thereby achieving higher customer acceptance and satisfaction.

The Company is continuously making efforts to improve Energy Management by way of monitoring energy related parameters on a regular basis. The Company is committed to transform energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management System. It is our endeavor to reduce energy consumption in all its operations.

To achieve above objectives the following steps are taken/ being undertaken by the Company:

- Continuously monitoring the energy parameters and efficient utilization of energy tariff.
- Continuously replacing the inefficient equipment with latest energy efficient technology equipment and regular upgradation.
- Increasing awareness regarding energy saving within the organisation to avoid wastage of energy.
- Enhancing utilisation of renewable energy resources.
- Achieving power factor near to one in all plants by the effective reactive energy management.
- Reducing emission of Green House gases by improving energy efficiency at all plants.
- Conducting Audits thrice a year (twice internally and once through TUV Rheinland, an independent accreditation body)
- Utilization of solar power at majority of the plants of the Company.
- Increasing use of wind energy.

All our plants are EnMS (ISO 50001) certified through TUV Rheinland. Energy reduction is our main Key Performance Indicator ('KPI') which is monitored on a monthly basis in all our plants.

We also monitor Water Utilization Ratio (WUR) in ltr/ kg as a part of monthly KPIs in all our plants.

We have in place an Integrated Management System through which we constantly strive to reduce the losses (internal rejection/energy losses) by providing necessary resources to achieve the targets and usage of energy/Environment efficient products and equipment.

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company makes every effort to create awareness among its consumers for efficient resource consumption.

The Company has created the below solutions for various industrial issues in the realm of environmental conservation, which ensure reduction in resource consumption and environment safety at consumption level as well:

- Chilling Plants
- Treatment Plants
- Water Supply
- Bore Well
- Rain Water Harvesting
- Sewage Management

3. 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.

Our innovation and operations group are spearheading efforts to transition to renewable raw materials, low emission direct energy and improved water consumption for our processes by selection and introduction of energy-efficient state-of-the-art machines.

Vendors are on boarded based on the following criteria:

- Technical and financial capability which defines their ability to sustain and service us during all Times
- Existing clientele from the industry and outside to ensure credibility
- Ethical business practices and socially responsible
- Product qualifying after thorough checks in the Company system to avoid problems during the production stage and quality of finished goods
- Pricing advantage

The above ensures that the Company is well serviced during all times in a sustainable manner.

More than 75% of the inputs, approximately, are sourced sustainably.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We prefer locally available goods and services, other considerations being comparable. Company has taken several initiatives for the development of local and small suppliers of goods and services.

We have developed packing material and hardware/ spare items supplier locally, so as to ensure the development of surrounding communities.

We have a great focus on having a domestic supply base for all raw materials that go into production. We take the following actions for the same:

- a. As a policy we try to source our products from qualified suppliers who are closest to our plant locations.
- b. All such products which have a potential to be substituted are identified and efforts are put in to be developed locally.

The Company also supports vendors for improving their productivity and technical capability to reduce their operational costs. Further, we procure services like security, housekeeping, gardening, and such other services from the suppliers located near the factories of the Company. Major workforce of the Company is employed from the surroundings of the manufacturing units across all locations.

The Company also deals with Micro, Small, and Medium Enterprises. We ensure right quality production at suppliers' end as well to ensure the desired quality levels of the end product, resulting into enhanced capability of supplier to produce right quality material for elevated volumes.

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

Yes, the Company has in place a mechanism to recycle products and internal rejection. Approximately 10% of the internal rejection generated is recycled in-house at all our manufacturing units.

The Company has in place instruction documents for each plant setting out the procedure for processing internal rejection including grinding, segregation, reuse and treatment of non-usable wastage. The Company also submits necessary returns on hazardous and other wastes as prescribed by the State Pollution Control Boards/ Committees for each of its plants.

Principle 3 - Businesses should promote the well-being of all employees

1. **Total number of employees:** 1706
2. **Total number of employees hired on temporary/ contractual/casual basis:** 1,311
3. **Number of permanent women employees:** 32
4. **Number of permanent employees with disabilities:** 3
5. **Do you have an employee association that is recognized by management?**

The Company has an agreement with a Trade Union for its plant located at Athal named "Union Territory Kamdar Sangha".

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

198 employees out of 225 employed at the Athal plant are members of this union i.e. 88%. This forms 11.63% of the total permanent employees of the Company.

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.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on 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 and skill up-gradation training in the last year?

Sr. No.	Category	Skill Up-gradation and Safety Training
1.	Permanent Employees	Skill up-gradation and safety trainings are imparted to all concerned employees/ workers, irrespective of their gender, type of employment or any other factors.
2.	Permanent Women Employees	
3.	Casual/ Temporary/ Contractual Employees	
4.	Employees with Disabilities	

As per the Environmental and Social Policy of the Company, it ensures that environmental sustainability is covered as part of relevant trainings, workshops and meetings to raise commitment of our employees, suppliers, business partners and the community at large.

The Company strives to create conducive and safe workplace conditions that help all employees through our Occupational Health & Safety Management System (ISO 45001). We focus on:

- Providing safe working conditions
- Maintaining workplace conditions that protect employee health
- Training and information dissemination periodically on all relevant aspects of Environment and Safety matters to the applicable stakeholders
- Ensuring that our labour practices are in compliance with applicable laws and regulations including the compliance with Indian Factories Act, 1948 related to employee working hours and wages
- Striving to incorporate best practices on labour management as prescribed by the International Labour Organisation
- Increasing female participation in our workforce, wherever possible
- Assessing all potential health and safety risks arising from work activities and taking appropriate measures to mitigate risks to health and safety by conducting HIRA (Hazard Identification & Risk Assessment)

The following specific safety/ EHS and skill up-gradation trainings are given to the employees:

- Daily Tool Box Talk (TBT) on activity related topics
- First Aid training through St. John Ambulance, an organization which teaches and provides first aid and emergency medical services
- Behaviour Based Safety (BBS) training through outside expert faculties
- EHS awareness training for new employees
- HIRA (Hazard Identification and Risk Assessment) training
- Safety auditor training
- Practical training on how to operate the fire extinguishers, Fire hydrant, etc.
- Quarterly mock drills
- Environment day and safety week celebration in plants to improve awareness through slogan/ essay/ drawing competition and tree plantation.

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

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

Yes. The Company has mapped its stakeholders and the same are classified as employees and workers, being the internal stakeholders and external stakeholders such as customers, builders, plumbers, dealers, distributors, MEP project consultants, farmers, house owners, brand owners, investors, service providers, government/ regulators, suppliers/ business partners, insurers, equipment provider and the wider community.

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

Yes. Identification of disadvantaged, vulnerable and marginalised stakeholders is an on-going process.

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.

The company undertakes various employee engagement programme for the internal stake holders as below:

1. Awarding the best performers
2. Monetary awards for any improvements done by the employee through KAIZEN/SGA
3. Celebrating birthday of the employees

The Company undertakes various community development and engagement initiatives, details of which are given at point no. 1 of Principle 8 below.

Further, the Company's CSR activities also aim at; inter alia, healthcare and upliftment of poor sections of the Society. During the year under review, the Company has contributed its CSR spend to Dr. Vithalrao Vikhe Patil Foundation, Ahmednagar which promotes education.

Principle 5 - Businesses should respect and promote human rights

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

The Company takes care that its transactions/ processes do not violate any human rights. We ensure that the dignity and rights of the employees, consumers, vendors and all concerned stakeholders are upheld. We also believe that training our workforce on their human rights as well establishing permissible codes of conduct when dealing with our stakeholders is crucial. The Company has in place policy on Prevention of Sexual Harassment at Workplace, Business Responsibility Policy, Environmental and Social Policy, Vigil Mechanism Policy, Integrated Management System Policy (Quality, Environment, Occupational Health and Safety and Energy), etc. based on global standards and local laws.

The Company does not employ or make use of child labour or forced labour of any kind.

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

There were no cases of human rights violation for the year financial year ended March 31, 2021 in any of the operations.

Principle 6 - Businesses should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.

We ensure that the Health and Safety standards at all our units/ workplaces are as per the legislations. Our approach is reflected in our Environmental and Social Policy which places emphasis on the Company's continuous efforts to comply with applicable legal, environmental and our internal requirements where specific environmental legislation is non-existent or insufficient. As per the Policy, the Company incessantly strives at improving the environmental performance of its activities, products and services. This Policy is available on the website of the Company. An endeavour is made to apply this Policy in all the Company's dealings with stakeholders across the value chain including suppliers, contractors, etc. in due spirit.

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 adheres to applicable IFC Performance Standards, and IFC/ World Bank EHS guidelines and standards in all its ventures in addition to complying with applicable local and national regulations/ laws and with International Labour Organisation's conventions which have been notified in India. The Company also strives to apply relevant international best management practices and/ or standards, with appropriate targets and timelines for achieving Environment and Safety improvement and performance.

Our manufacturing plants have attained ISO 14001 environment management system & ISO 45001 Occupational Health & Safety management system certification.

The environmental management system certification helps us to analyze and reduce environmental impact and standardize the process of being complaint to a range of legislative requirements. The certifications have provided us a framework which enables us to review our environmental performance and identify the sites outperforming others.

Few specific initiatives taken by the Company in this direction are

- No procurement of equipment with ODS (Ozone Depleting Substances) and phase out existing equipment with ODS
- Procuring green energy wherever feasible
- Installing solar panels in all plant roof tops
- Procuring IE3/ IE4 compliant energy efficient motors

During the last year, 7.81% of the total energy requirement of the Company was procured through renewable energy sources. The Company plans to increase the consumption of renewable sources of energy in the future.

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

Yes. The Company identifies and assesses potential environmental risks in pursuance of its Environmental and Social Policy. The Company specifically undertakes plant specific environmental aspect impact under ISO 14001 certification and takes prompt action wherever required. Checking air quality, emission levels and water quality on a regular basis also ensures that potential environmental risks are averted.

We also maintain an Environmental Aspect Impact Register in which the Company identifies and records various potential modes of failures such as oil spillage, water spillage, vehicles emitting more gas, emission of gases harmful to the ozone layer, use of lead-based chemicals, etc. These modes are then mapped against potential effects of failures, causes of such failures and control/ mitigation plans are developed accordingly.

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, is any environmental compliance report filed?

The Company has not carried out any project related to Clean Development Mechanism and no environment compliance report was filed in this regard.

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. Kindly refer to responses given for question no. 2 of principle 2 and principle 6.

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 strictly follows all the rules and regulations related to treatment of emissions/ waste generated by the Company and undertakes tests on a regular basis to ensure emissions are maintained within the permissible limits given by CPCB/ SPCB/ other regulatory authorities.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

The Company has not received any show cause/ legal notice from CPCB/ SPCB during the financial year ended March 31, 2021 and no such notices are pending satisfaction as on March 31, 2021.

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

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

Yes. The Company is a member of the following trade organisations:

- (a) OPPI: Organisation of Plastic Processors of India
- (b) JITO: Jain International Trade Organisation

2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No. If yes specify the broad areas.

Yes. The Company responsibly uses the platform of various industry segment seminars and exhibitions to promote its products and solutions. We regularly participate in trade seminars and exhibitions such as JITO Trade Fair, VINYL India International PVC, Chlor Alkali Summit, KISAN Exhibition, Krishithon trade fair for farmers, Dahej Industrial Expo, Plastindia Foundation, Indian Plumbing Chapters, Ankleshwar Expo, CREDAI, Muncipalika, Smart city infrastructure, Constro Exhibition, etc.

Additionally, the Company also encourages and conducts factory visits for influencers viz. the plumbers, plumbing contractors, architects, engineers, consultants, farmers etc. in order to inculcate complete knowledge on various products of the Company.

Principle 8 - Businesses should support inclusive growth and equitable development

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

Yes. The Company has during the financial year ended March 31, 2021, made generous donations for various causes as given below:

We developed Sanifit-contactless sanitiser dispensers that are operated with a pedal. Each unit made has been and assembled with PVC pipes which are manufactured by Prince Pipes. They were supplied to ATS Units in Mumbai, the DM's office in Haridwar, Police station at Silvassa, Bewell Hospital in Annanagar and other key centers.

As part of the Maha Kumbh gathering this year, we made a prototype of our Storefit Water Tank which was used to store Ganga jal and distributed in our Kumbh Campaign Ghar ghar mein Ganga, in Haridwar. It was specifically done to ensure that senior citizens in Haridwar could get Ganga jal without having to visit the ghats during the pandemic. The activity was conducted with full Covid precautions.

On World Plumbing Day PrincePipes and Radio Mirchi organised singing contest across India. The contest is a tribute to the Zero Defect contribution of our plumbers even during the pandemic. Prince Pipes proudly announced the winners of a special Singing Competition with the theme "Mera Plumber Yaar Singing Superstar", organized in partnership with Mirchi FM, exclusively for our Plumber Mitra. Each person has been rewarded with groceries worth Rs.20,000.

Infections, injuries, accident a plumber goes through many troubles and risks his health almost every day to make sure that the health of our house remains intact for years. Commemorating the World Plumbing Day, Prince Pipes announced free personal accidental insurance worth Rs.5 lakhs. This was organized to honour their resilient spirit.

Prince Pipes distributed grocery and health kits to 500 farmers at Devarwadi. Imagine if the hands that grow our food can't feed their own children. That's exactly what was happening in the village of Devarwadi near our

Kolhapur plant where COVID had left around 500 families jobless, helpless & hungry. Prince Pipes took the initiative to provide them groceries and what we got in return was joy and satisfaction. This was just another reminder that #WeAreInItTogether.

On World Gratitude Day we thought of dedicating this day to our #cleaning, #maintenance, #transportation & #security staff whose non-stop #services make us unstoppable. Distributed Grocery to all front line workers. A big #ThankYou and a small #tribute to them all from the entire #PrinceParivaar.

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

We implement our programmes through our Corporate Social Responsibility team in partnership with government and civil society organisations. We also actively encourage our own employees to contribute towards these social initiatives.

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

The Company takes into consideration that the benefit is given to the intended ultimate beneficiaries of the society, while finalising any community development project. Impact assessment of such projects is done informally.

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

Company's direct contribution to community development projects for financial year 2020-21 is INR 39.80 million. For details of the projects undertaken or initiatives taken in this regard, kindly refer to question no.1 under this principle.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

CSR activities of the Company were pursued in line with the Company's policy and framework.

Through effective stakeholder engagement, the Company ensures that its community development initiatives are sustainable in the long term. The Company closely monitors the spending of its contributions towards the intended social causes and the Company's Directors or senior officials pay regular visits at the projects sites where the Company has given contribution.

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

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

Less than 1% of the customer complaints received during the financial year were pending as on March 31, 2021.

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)

The Company displays product information as mandated by Bureau of Indian Standards and all other applicable laws and standards.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior 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 cases were filed against the Company regarding unfair

trade practices, irresponsible advertising and/ or anti-competitive behavior in the last five years and no such cases were pending as on the end of the financial year 2021.

On June 2, 2020, a case was filed against the Company by one of its competitors with respect to the Company's advertisement on zero defect manufacturing process claiming that the advertisement is misleading. This issue was earlier routed by the complainant through the Advertising Standards Council of India. As on date, this case is pending in the Hon'ble Bombay High Court. The Company believes that its advertisements/ commercials are not misleading or disparaging in any manner and that the allegation is of a malicious nature and not in the right spirit of competition.

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

We conduct quarterly customer satisfaction survey online through IMON portal and take action for improvement. The survey is conducted on a rating system and covers indicators like satisfaction with product range, sales team, sales and quality.

For and on behalf of Board of Directors of
Prince Pipes and Fittings Limited

Jayant Chheda
Chairman & Managing Director
DIN: 00013206

Place: Mumbai
Date: August 05, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of
Prince Pipes and Fittings Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Prince Pipes and Fittings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Key Audit Matters	How the matter was addressed in our Audit
<p>Provision for Discount & Incentives</p> <ul style="list-style-type: none"> ▪ Revenue is measured net of discounts, incentives and rebates given to the customers on the Company's sales. ▪ The Company's presence across different marketing regions within the country and the competitive business environment makes the assessment of various type of discounts and incentives as complex and judgmental. ▪ Given the complexity and judgement required to assess the provision for discounts and incentives, this is a key audit matter. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▪ We have assessed the Company's accounting policies relating to revenue, discounts, incentives and rebate by comparing with applicable Ind AS. ▪ We have assessed the Company's computations for accrual of discounts incentives and rebates. ▪ On a sample basis, checked the accruals made with the approved schemes and underlying documents. ▪ We have compared the historical trend of discounts and incentives to provisions made to assess the current year accruals.

Other Information

The Company's Management and Board of Director are responsible for the other information. The Other information comprises the information included in the company's annual report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the accompanying Ind AS 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 accompanying Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with accompanying Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Ind AS Financial Statements

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

In preparing the Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

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

1. Identify and assess the risks of material misstatement of the Ind AS 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.
2. 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 with reference to Ind AS financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
4. Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a

material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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.

5. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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), the Statement of Changes in Equity and Cash Flow Statement and dealt with by this Report are in agreement with the books of account,
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
 - 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) With respect to the 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".
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:
 - a) The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its Ind AS financial statements - Refer Note 50 to the Ind AS financial statements.
 - b) 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 46 to the Ind AS financial statements.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d) The disclosure in the Ind AS financial statements regarding holdings and well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2021.

4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Khimji Kunverji & Co LLP

Chartered Accountants

Firm's Registration No: 105146W/ W-100621

Kamlesh R Jagetia

Partner

Membership No: 139585

ICAI UDIN: 21139585AAAABL6106

Place : Mumbai

Date : May 12, 2021

Annexure A to the Independent Auditors' Report of even date on the Ind AS financial statements of Prince Pipes and Fittings Limited for the year ended March 31, 2021

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified 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 explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except for the following:
- The Company is owning Office Premises at "RUBY HOUSE", 4th Floor, 'B' Wing, Dadar (West), Mumbai having gross block of Rs 41.62 million (Previous year Rs 41.62 million) and net block of Rs 38.24 million (Previous year Rs 39.09 million). In lieu of this, the Developer has offered alternate premises at 8th Floor, 'THE RUBY', Dadar (West), Mumbai. Though the Company has shifted its Office in new premises in May 2013, the agreement for the same with the Developer is pending for registration.
- ii. The inventory, except for goods-in-transit has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods- in- transit, subsequent goods receipt have been verified. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 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 or provided any guarantees or security to the parties covered under section 185 of the Act and the Company has complied with the provisions of Section 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and service tax, Duty of Customs, Cess and other material statutory dues applicable.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates	Rs. in Million
Income tax Act, 1961	Addition to Income under Income Tax	Mumbai High Court	A.Y. 2001-02	4.44
			A.Y. 2004-05	2.29
			A.Y. 2006-07	1.80
			A.Y. 2007-08	3.34
			A.Y. 2010-11	3.15
		ITAT (Appeals), Mumbai CIT	A.Y. 2005-06	2.00
			A.Y. 2012-13	0.00
			A.Y. 2013-14	0.09
		DCIT, Mumbai	A.Y. 2014-15	7.76
			A.Y. 2018-19	0.85
	IT Officer (CPC)	A.Y. 2015-16	1.94	
Value Added Tax	Non submission of C-Form	Commissioner Appeal, DNH	F.Y.2015-16	6.60
		Uttar Pradesh Sales Tax Department	F.Y.2017-18	0.32
		Maharashtra Vat (VAT)	F.Y.2016-17	2.40
		Maharashtra VAT (CST)	F.Y.2016-17	1.38
		DNH Sales Tax Dept	F.Y.2016-17	4.98
	Unpaid Vat	Gujrat Sales Tax Dept	F.Y.2010-11	1.52
Excise	Non Payment of Duty	Assistant Commissioner of CEC	A.Y. 2008-09	0.37

- viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.
- ix. According to the information and explanation given to us by the management of the Company:
- (a) the Company has utilized the money raised by way of initial public offer for the purposes for which they were raised, except for pending utilization of the balance funds, which the Company has temporarily deposited in fixed deposits as at March 31, 2021.
- (b) the Company did not raise monies by way of term loans during the year and therefore paragraph 3(ix) of the order is not applicable to the Company to that extent.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give 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. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, 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 Sections 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 Ind AS.
- 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, paragraph 3(xiv) of the Order is not applicable to the Company.

- xv. According to the information and explanations given to us 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

Khimji Kunverji & Co LLP

Chartered Accountants

Firm's Registration No: 105146W/ W-100621

Kamlesh R Jagetia

Partner

Membership No: 139585

ICAI UDIN: 21139585AAAABL6106

Place : Mumbai**Date : May 12, 2021**

Annexure B to the Independent Auditors' Report of even date on the Ind AS financial statements for the year ended March 31, 2021

Opinion

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

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial controls with reference to Ind AS 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 ICAI

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are 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 Accountant of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS 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") and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Ind AS financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS financial Statements were established and maintained and whether 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 Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Ind AS financial statements

A Company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Ind AS financial statements include those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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
- (c) 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

Because of the inherent limitations of internal financial with reference to Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Khimji Kunverji & Co LLP

Chartered Accountants

Firm's Registration No: 105146W/ W-100621

Kamlesh R Jagetia

Partner

Membership No: 139585

ICAI UDIN: 21139585AAAABL6106

Place : Mumbai

Date : May 12, 2021

Balance Sheet

as at 31st March, 2021

₹ in million

Particulars	Note No	As at 31-03-2021	As at 31-03-2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	4,948.52	4,809.25
Capital Work in Progress	4	765.45	75.33
Right-of-Use Assets	4	30.53	46.45
Goodwill	4	2.96	2.96
Other Intangible Assets	4	47.85	27.16
Financial Assets			
Investments	5	14.64	6.30
Loans	6	83.22	103.12
Other Financial Assets	7	52.54	86.78
Other Non-Current Assets	8	257.86	497.34
Total Non-Current Assets		6,203.57	5,654.68
Current Assets			
Inventories	9	2,273.32	3,445.18
Financial Assets			
Trade Receivables	10	3,533.71	1,797.08
Cash and Cash Equivalents	11	84.42	0.57
Other Balances with Banks	12	2,214.82	2,569.67
Loans	6	41.05	10.60
Other Financial Assets	7	31.45	74.72
Other Current Assets	8	1,678.42	549.62
		9,857.19	8,447.44
Assets classified as held for sale		-	-
Total Current Assets		9,857.19	8,447.44
Total Assets		16,060.76	14,102.12
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,100.26	1,100.26
Other Equity		9,334.52	7,276.50
Total Equity		10,434.78	8,376.76
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	-	394.59
Lease Liabilities	17	13.10	28.14
Other Financial Liabilities	16	145.75	146.05

Balance Sheet

as at 31st March, 2021

₹ in million

Particulars	Note No	As at 31-03-2021	As at 31-03-2020
Provisions	18	116.51	112.63
Deferred Tax Liabilities (Net)	19	133.09	133.09
Total Non-Current Liabilities		408.45	814.50
Current Liabilities			
Financial Liabilities			
Borrowings	15	852.20	2,038.11
Lease Liabilities	17	15.04	15.82
Trade Payables			
- Outstanding to Micro, Small and Medium Enterprises	20	261.99	320.89
- Other than Micro, Small and Medium Enterprises	20	2,229.10	1,486.94
Other Financial Liabilities	16	1,295.51	889.86
Provisions	18	17.08	20.90
Current Tax Liabilities	21	199.02	50.71
Other Liabilities	22	347.59	87.63
Total Current Liabilities		5,217.53	4,910.86
Total Liabilities		5,625.98	5,725.36
Total Equity and Liabilities		16,060.76	14,102.12
Notes to the financial statements	1 to 3		

As per our attached report on even date

For Khimji Kunverji & Co LLP

Chartered Accountants
FRN: 105146W/ W100621

Kamlesh R. Jagetia

Partner
Membership No.:139585

Place: Mumbai
Date : 12.05.2021

For and on behalf of the Board of Directors

Jayant S. Chheda
Managing Director
(DIN No : 00013206)

Shyam K. Sharda
Chief Financial Officer

Place: Mumbai
Date: 12.05.2021

Parag J. Chheda
Director
(DIN No : 00013222)

Shailesh Bhaskar
Company Secretary

Statement of Profit and Loss

For The Year Ended 31st March, 2021

₹ in million

Particulars	Note No	For year ended 31-03-2021	For year ended 31-03-2020
REVENUE			
Revenue from Operations	23	20,715.17	16,356.57
Other Income	24	175.99	69.44
Total Revenue		20,891.16	16,426.01
EXPENSES			
Cost of Materials Consumed	25	12,992.96	11,672.24
Purchase of Stock-in-Trade	26	346.62	484.88
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	448.93	(892.75)
Employee Benefit Expense	28	996.98	901.60
Finance Cost	29	206.67	331.70
Depreciation and Amortization Expenses	3	594.17	519.78
Other Expenses	30	2,313.35	1,902.82
Total Expenses		17,899.68	14,920.27
Profit before tax		2,991.48	1,505.74
Current tax		774.21	401.42
Deferred tax		(1.05)	(13.45)
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)		-	(7.30)
Total Tax Expense		773.16	380.67
Profit for the year		2,218.32	1,125.07
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss		4.17	(11.19)
Income tax relating to items that will not be reclassified to profit or loss		(1.05)	2.65
Items that will be reclassified to Profit or Loss		-	2.04
Income tax relating to items that will be reclassified to profit or loss			-
Total Other Comprehensive Income		3.12	(6.50)
Total Comprehensive Income for the year		2,221.44	1,118.57
Earning per equity share in (Face Value per Share Rs 10 each) (Not Annualised)	40		
Basic (in)		20.16	11.77
Diluted (in)		20.15	11.77
Notes to the financial statements	1 to 3		

As per our attached report on even date

For Khimji Kunverji & Co LLP

Chartered Accountants
FRN: 105146W/ W100621

Kamlesh R. Jagetia

Partner
Membership No.:139585

Place: Mumbai

Date : 12.05.2021

For and on behalf of the Board of Directors

Jayant S. Chheda
Managing Director
(DIN No : 00013206)

Shyam K. Sharda
Chief Financial Officer

Place: Mumbai
Date: 12.05.2021

Parag J. Chheda
Director
(DIN No : 00013222)

Shailesh Bhaskar
Company Secretary

Cash Flow Statement

For The Year Ended 31st March, 2021

₹ in million

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax	2,991.48	1,505.74
Adjustments for:		
Depreciation and Amortisation Expenses	594.17	519.78
Provision for Gratuity and Leave Encashment	0.07	38.89
Interest expenses	175.53	285.09
Bank Commission and Charges paid	25.53	45.19
Provision for Doubtful Debts	50.42	16.96
Provision for Doubtful Advances to Vendors	6.53	-
Provision for Diminution in value of an asset	-	4.29
Employee Stock Compensation for Option granted	3.51	6.02
Unrealised Foreign Exchange Difference	(22.17)	49.57
Mark to Market loss/ (gain) on Derivatives	5.87	(10.85)
(Profit)/Loss on sale of Shares	(0.06)	-
Gain/Loss on fair valuation of Investments through Profit and loss	(7.44)	1.82
(Profit)/Loss on sale of Fixed Assets	22.74	13.52
Dividend Received	(0.01)	(0.09)
Operating Profit before Working Capital Changes	3,846.17	2,475.94
Adjustments for :		
Decrease/(Increase) in Inventories	1,171.87	(1,434.62)
Decrease/(Increase) in Trade Receivables	(1,787.05)	706.53
Decrease/(Increase) in Other financial/ Non financial Assets	(1,063.58)	78.44
Increase/(Decrease) in Trade & Other Payables	1,531.36	(431.46)
Cash Generated from Operations	3,698.77	1,394.82
Taxes paid (net)	(625.90)	(371.81)
Net Cash Flow from Operating Activities (A)	3,072.87	1,023.01
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(1,458.76)	(1,206.73)
Sale of Property, Plant and Equipment	7.68	19.05
Decrease/(Increase) in funds earmarked for specific purposes	354.85	(2,569.67)
Capital Advances Paid	241.23	81.40
Sale of Non-Current Investment	0.19	-
Purchase of Non-Current Investment	(1.04)	(1.04)
Dividend Received	0.01	0.09
Net Cash Flow from Investing Activities (B)	(855.84)	(3,676.90)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term/Short Term Borrowings (Net)	(1,745.51)	(371.41)
Dividend paid	(165.04)	(110.02)
Principal payment of lease	(15.82)	(16.64)
Interest on lease payment	(4.54)	(2.75)
Issue of equity shares	-	200.10
Share issue expenses	-	-
Securities Premium on issue of shares	(5.75)	3,193.81
Bank Commission and Charges paid	(25.53)	(45.19)
Interest paid excluding lease	(170.99)	(282.34)
Net Cash Flow from Financing Activities (C)	(2,133.18)	2,565.56
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	83.85	(88.33)
Cash and Cash Equivalents at the beginning of the year	0.57	88.90
Cash and Cash Equivalents at the end of the year	84.42	0.57
Net Increase/(Decrease) in Cash & Cash Equivalents	83.85	(88.33)

Cash Flow Statement

For The Year Ended 31st March, 2021

Notes :

- The previous year's figures have been regrouped wherever necessary.
- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind-AS) - 7 on Statement of Cash Flow.
- Cash and Cash equivalents comprises of on hand and with Banks.

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Balances with Banks	84.14	0.09
Cash on Hand	0.28	0.48
Cash and Bank Balance as per Balance Sheet (Refer Note 10)	84.42	0.57

- Transactions not impacting cash flows in case of finance lease

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Depreciation on Right-of-Use-Assets	15.92	15.92
Interest expenses on lease liability	4.54	2.75
Total	20.46	18.67

- Changes in liabilities arising from financing activity ₹ in million

Particular	As at 01-04-2019	Cash flows	Non-Cash changes (Foreign Exchange Fluctuations)	As at 31-03-2020
Non-Current Borrowing (including current maturity of non-current borrowings)	1,512.34	(961.85)	9.11	559.60
Current Borrowings	1,456.78	581.33	-	2,038.11
Total	2,969.12	(380.52)	9.11	2,597.71

Particular	As at 01-04-2020	Cash flows	Non-Cash changes (Foreign Exchange Fluctuations)	As at 31-03-2021
Non-Current Borrowing (including current maturity of non-current borrowings)	559.60	(559.60)	-	-
Current Borrowings	2,038.11	(1,185.91)	-	852.20
Total	2,597.71	(1,745.51)	-	852.20

As per our attached report on even date

For Khimji Kunverji & Co LLP

Chartered Accountants
FRN: 105146W/ W100621

Kamlesh R. Jagetia

Partner
Membership No.:139585

Place: Mumbai
Date : 12.05.2021

For and on behalf of the Board of Directors

Jayant S. Chheda
Managing Director
(DIN No : 00013206)

Shyam K. Sharda
Chief Financial Officer

Place: Mumbai
Date: 12.05.2021

Parag J. Chheda
Director
(DIN No : 00013222)

Shailesh Bhaskar
Company Secretary

Statement of Changes in Equity

For The Year Ended 31st March, 2021

Equity Share Capital

₹ in million

	As at 31-03-2021	As at 31-03-2020
Balance at the beginning of the year	1,100.26	900.16
Changes during the year (Refer note 13)	-	200.10
Balance at the end of the year	1,100.26	1,100.26

Other Equity

For the period ended 31st March, 2021

₹ in million

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI- Equity Instruments	Total
	Capital Reserve	Capital re- demption Reserve	Securities Premium Account	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2020	48.37	30.00	3,193.81	22.59	3,985.87	(3.46)	(0.69)	7,276.50
Profit for the Year (1)					2,218.32			2,218.32
Premium on public issue of shares (Refer Note 44)								
Share issue expenses (Refer Note 47)			(5.75)					(5.75)
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)					3.12		0.39	3.51
Marked to Market of effective portion of cash flow hedging instruments (3)						3.46		3.46
Transitional reserves due to adjustment of IND AS 116 (Refer Note 41)								
Equity instruments through other comprehensive income (4)								
Total Comprehensive Income (1+ 2 + 3 + 4)	-	-	(5.75)	-	2,221.43	3.46	0.39	2,219.54
Transfer to General Reserves								
Utilisation on bonus shares issue								
Dividend Distribution and Tax thereon					(165.04)			(165.04)
Net Employee Stock Compensation for Option granted (Net of Deferred Employees Stock Option Rs. million) (Refer Note 37)				5.42				5.42
Less : Options forfeited during the period				(1.90)				(1.90)
Less : Deferred Employee Stock Option								
Balance at 31st March, 2021	48.37	30.00	3,188.06	26.11	6,042.28	-	(0.30)	9,334.52

Statement of Changes in Equity

For The Year Ended 31st March, 2021

For the period ended 31st March, 2020

₹ in million

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI-Equity Instruments	Total
	Capital Reserve	Capital redemption Reserve	Securities Premium Account	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2019	48.37	30.00	-	16.58	2,999.57	(5.50)	(0.04)	3,088.97
Profit for the Year (1)	-	-	-	-	1,125.07	-	-	1,125.07
Premium on public issue of shares (Refer Note 44)	-	-	3,361.67	-	-	-	-	3,361.67
Share issue expenses (Refer Note 47)	-	-	(167.86)	-	-	-	-	(167.86)
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)	-	-	-	-	(7.87)	-	(0.68)	(8.55)
Marked to Market of effective portion of cash flow hedging instruments (3)	-	-	-	-	-	2.04	-	2.04
Transitional reserves due to adjustment of IND AS 116 (Refer Note 41)	-	-	-	-	1.78	-	-	1.78
Equity instruments through other comprehensive income (4)	-	-	-	-	-	-	-	-
Total Comprehensive Income (1+ 2 + 3 + 4)	-	-	-	-	1,117.20	2.04	(0.68)	4,314.15
Transfer to General Reserves	-	-	-	-	(0.03)	-	0.03	-
Dividend Distribution and Tax thereon	-	-	-	-	(132.64)	-	-	(132.64)
Net Employee Stock Compensation for Option granted (Net of Deferred Employees Stock Option Rs. 22.46 million) (Refer Note 37)	-	-	-	7.63	-	-	-	7.63
Less : Options forfeited during the period	-	-	-	(1.61)	-	-	-	(1.61)
Balance at 31st March, 2020	48.37	30.00	3,193.81	22.59	3,985.87	(3.46)	(0.69)	7,276.50

Notes: Nature and Purpose of Reserves

- Capital Reserve : The company has created capital reserves out of merger approval of Kenson Manufacture Pvt Ltd by the. Capital Reserves are mainly created during business combination for gain on bargain purchase on account of merger of Kenson Manufacture Private Limited in the year ended March 31, 2013.
- Capital Redemption Reserve : These reserves are created by way of buyback of shares by the Company in year ended March 31, 2017.
- General Reserves : General reserve is created by way of transfer of profits from retained earnings for appropriation purposes.
- Stock outstanding account: The Company has share option scheme under which option to subscribe for the Company's share have been granted to certain employees. These reserves is used to recognise the value of such equity settled share based payments.
- Effective portion of cash flow hedges: The Company has designated cross currency swap as cash flow hedge and any effective portion of cash flow hedge is maintained in the said reserve. In case hedging becomes ineffective the amount is recognised in statement of Profit and Loss.
- Securities Premium : These reserves are created by the company on premium arising out of public issue adjusted against all issue related expenses.
- Retained Earnings: These reserves are created by the company for net profits earned after reducing all appropriations and transfers.

As per our attached report on even date

For Khimji Kunverji & Co LLP
Chartered Accountants
FRN: 105146W/ W100621

Kamlesh R. Jagetia
Partner
Membership No.:139585

Place: Mumbai
Date : 12.05.2021

For and on behalf of the Board of Directors

Jayant S. Chheda
Managing Director
(DIN No : 00013206)

Shyam K. Sharda
Chief Financial Officer

Place: Mumbai
Date: 12.05.2021

Parag J. Chheda
Director
(DIN No : 00013222)

Shailesh Bhaskar
Company Secretary

Company Overview and Significant Accounting Policies

1. Company Overview:

Prince Pipes and Fittings Limited ("the Company") is a limited company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was converted into public company with effect from 11 August 2017 and consequently the name of the Company has changed from Prince Pipes and Fittings Private Limited to Prince Pipes and Fittings Limited. The Company's operation comprises manufacturing and selling of plastic pipes and fittings. Pursuant to the Initial Public Offer, the equity shares of the Company have got listed on BSE limited and NSE limited on December 30, 2019.

2. Significant Accounting Policies:

(a) Statement of Compliance:

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 12, 2021

(b) Basis of Preparation and Presentation:

Basis of Preparation:

The financial statements have been prepared on the historical cost basis except for following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value.
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- (iii) Employee's Defined Benefit Plan as per actuarial valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into

account the characteristics of the asset or liability if market participants would take those characteristic into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and currency of primary economic environment in which company operates. All amounts disclosed in financial statements which also include the accompanying notes have been rounded off to nearest rupee as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated.

Operating Cycle :

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

(c) Property, plant and equipment (PPE) :

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Subsequent expenditures related to an item of Property, plant and equipment are added to its book value only if they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

If significant part of an item of PPE have different useful life, then they are accounted for as separate items of PPE.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

(d) Depreciation:

Depreciable amount for PPE is the cost of an PPE less its estimated residual value. Depreciation on PPE are charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013 or as per technical assessment.

I Assets where useful life is same as Schedule II :-

Assets	Useful Life as Prescribed by Schedule II to the Companies Act, 2013
Factory Building including Compounding Wall	30 years
Other Building	60 years
RCC Roads	10 years
Office Equipment	5 years
Vehicles - Two Wheeler	10 years
Vehicles - Four Wheeler	8 years
Furniture & Fixtures	10 years
Computer Hardware (Servers)	6 years
Computer Hardware (Others)	3 years

II Assets where useful life differ from Schedule II :-

Assets	Estimated Useful Life
Buildings (Temporary structures)	5 years
Plant & Machinery (including Double and Triple Shift)	7.5 years - 10 years
Plant & Machinery (Screw & Barrel)	3 years
Moulds & Dies	7.5 years
Electrical Installation	15 years
Stores & Spares in the nature of PPE	10 years

Residual value of Plant and Machinery is considered as 5% of the cost and for other assets as Rs.100

(e) Intangible assets :

Intangible assets acquired separately

Intangible assets that are acquired separately with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which

the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognized in the statement of profit and loss when the asset is derecognized.

Internally generated Intangible assets (Research and Development expenditure)

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

Useful lives of intangible assets are as under:

Assets	Estimated Useful Life
Computer Software	6 years
Brands/Trademarks	3 to 10 years

(f) Impairment of Non-Financial Assets :

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted

Notes to the Financial Statements

For The Year Ended 31st March, 2021

to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Non-current assets (or disposal groups) classified as held for disposal :

Non-current assets are classified as held for disposal if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such assets are measured at lower of their carrying amount and fair value less costs to sell. To classify any asset as "Asset held for disposal" the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale is highly probable. Also, Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within a year from the date of classification. Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

(h) Inventories :

Raw materials, fuel, stores & spare parts and packing materials:

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on first-in-first-out (FIFO) basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion.

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.

(i) Employee Benefits :

Employee benefits include Gratuity, Provident Fund, Employee Family Pension, Employee State Insurance Scheme and Compensated Absences.

Defined benefit plans:

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- (i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- (ii) net interest expense or income; and
- (iii) re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the

Notes to the Financial Statements

For The Year Ended 31st March, 2021

Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined Contribution Plan:

The Company's contribution to Provident Fund and Pension Fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. Company has no further obligation beyond its contributions

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Employee Share based payment:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments is amortised on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(j) Borrowing costs :

Borrowing cost (General and Specific) includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

(k) Foreign Currencies :

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for, exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

(l) Revenue Recognition :

a Revenue from operations

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value

Notes to the Financial Statements

For The Year Ended 31st March, 2021

of consideration received or receivable taking into account the amount of discounts, rebates, outgoing taxes on sales of goods or services.

Revenue is measured at the fair value of consideration received or receivable for the goods supplied and services rendered, net of returns, discounts and incentives to customers. Revenue excludes amount collected on behalf of third parties viz. Goods and Service Tax (GST).

Revenue from contract with customer are recognised when goods are dispatched and the control over the goods sold are transferred to customers.

Revenue from turnkey contracts having performance obligation to be fulfilled over the time are recognised measuring the progress towards complete satisfaction of that performance obligation. The Company measures the progress using the Output method.

Costs to fulfill a contract which is directly related to a contract or to an anticipated contract, generates or enhance resources of the Company that will be used in satisfying performance obligations in the future and expected to be recovered are recognised as an Asset

Variable consideration includes discounts and incentives provided to the customers. It is estimated at contract inception considering the terms of contract with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting

The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

Other Income

- (i) Dividend Income is accounted for when the right to receive the income is established.
- (ii) Interest income is recognized on time proportion basis taking into account the amount outstanding on effective interest rate.
- (iii) Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

(m) Government Grant

Government Grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants related to income are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

(n) Lease:

Ministry of Corporate Affairs (MCA) has vide notification dated March 30, 2019 has mandated applicability of Ind AS 116 (Leases) from April 1, 2019.

n.1 The Company as a Lessee:

The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The right-of-use asset is periodically reviewed for impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

Notes to the Financial Statements

For The Year Ended 31st March, 2021

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

n.2 Short-term leases and leases of low-value assets

The Company has chosen not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

(o) Income Taxes:

Tax expense represents the sum of the current tax and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

(p) Earnings per share :

A basic earnings per share is computed by dividing the profit/(loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(q) Provisions, Contingent Liabilities and Contingent Assets and Commitments :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result

Notes to the Financial Statements

For The Year Ended 31st March, 2021

of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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 obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. Contingent liabilities and Contingent assets are not recognized in the financial statements.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

(r) Financial Instruments:

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

Initial Recognition

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 and ancillary costs related to borrowings) 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 recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (ii) 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.

In case of financial asset classified and measured at amortised cost, any interest income, foreign exchange gains/ losses and impairment are recognised in the Statement of Profit and Loss.

Fair Value through OCI

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (ii) 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.

Where the Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI. All recognised financial assets are subsequently measured in their entirety

Notes to the Financial Statements

For The Year Ended 31st March, 2021

at either amortised cost or fair value, depending on the classification of the financial assets. For financial assets at fair value through profit or loss, net gain or losses, including any interest or dividend income are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. Interest expense (based on effective interest method), foreign exchange gains and losses and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset 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 the asset or if, the Company has neither transferred nor retained substantially all risk and reward of the asset, but has transferred control of the asset to another party.

On derecognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of equity investments classified as FVOCI, accumulated gains or loss recognised in OCI is transferred to retained earnings.

Financial liabilities and equity instruments:

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(s) Cash and cash equivalents :

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(t) Derivative financial instruments :

The Company enters into derivative financial instruments viz. foreign exchange forward contracts and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cash flow hedge.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

(u) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(v) Cash Flow Statement:

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

(w) Segment Reporting:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of property, plant and equipment :

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit obligation :

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined

Notes to the Financial Statements

For The Year Ended 31st March, 2021

using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Fair value measurement of Financial Instruments :

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iv) Income taxes :

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(v) Revenue from turnkey project :

The Company has recognised revenue and cost from this project. Due to the nature of the project, recognition of revenue and cost involves usage of percentage of completion method which is determined based on the progress towards complete satisfaction of that performance obligation, which

involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date.

(vi) Leases :

The Company considers all the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

(vii) Share-based payments :

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37.

(viii) Discount, Incentives & Rebates :

Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. The Company's presence across different marketing regions within the country and the competitive business environment makes the assessment of various type of discounts, incentives and rebates as complex and judgmental.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

4. Property, Plant and Equipment

₹ in million

Sr. No.	Particulars	Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
		Opening Balance as on 01-04-2020	Additions	Deletion/ Transfer/ Adjustment	Closing Balance as on 31-03-2021	Opening Balance as on 01-04-2020	Depreciation on Deletion/ Transfer/ Adjustment	Depreciation for the Year	Closing Balance as on 31-03-2021	As on 31-03-2021
A	Tangible Assets									
1	Freehold Land	758.67	2.10	-	760.77	-	-	-	-	760.77
2	Building	1,325.95	82.49	51.39	1,357.05	144.00	2.23	52.61	194.38	1,162.67
3	Plant & Machinery	2,881.20	342.53	48.46	3,175.27	906.79	73.46	336.55	1,169.88	2,005.39
4	Electrical Installation	195.10	78.38	5.32	268.16	32.41	2.02	14.42	44.81	223.35
5	Computer	33.57	4.26	0.18	37.65	17.37	0.17	5.47	22.67	14.98
6	Moulds & Dies	915.66	207.68	5.61	1,117.73	336.06	3.03	124.35	457.38	660.35
7	Office Equipments	42.07	1.36	1.78	41.65	15.96	1.72	7.15	21.39	20.26
8	Furniture & Fixtures	150.28	6.48	0.92	155.84	56.59	0.60	16.94	72.93	82.91
9	Vehicles	26.46	5.28	0.22	31.52	10.53	0.22	3.37	13.68	17.84
	Total	6,328.96	730.56	113.88	6,945.64	1,519.71	83.45	560.86	1,997.12	4,948.52
B	Capital Work in Progress									765.45
	Total Tangible Assets									5,713.97
C	Right-of-Use Assets	62.37	-	-	62.37	15.92	-	15.92	31.84	30.53
	(Refer Note 41)									
	Total	62.37	-	-	62.37	15.92	-	15.92	31.84	30.53
D	Goodwill	2.96	-	-	2.96	-	-	-	-	2.96
	Total	2.96	-	-	2.96	-	-	-	-	2.96
E	Other Intangible Assets									
1	Computer Software	37.60	0.66	-	38.26	20.79	-	5.85	26.64	11.62
2	Brands/Trademark	26.52	-	-	26.52	16.17	-	4.04	20.21	6.31
3	License/Brand	-	37.42	-	37.42	-	-	7.50	7.50	29.92
	Total	64.12	38.08	-	102.20	36.96	-	17.39	54.35	47.85
	Total Assets (A+B+C+D+E)	6,458.41	768.64	113.88	7,113.17	1,572.59	83.45	594.17	2,083.31	5,795.31

Notes :

- The Company is owning Office Premises at ""RUBY HOUSE"", 4th Floor, 'B' Wing, Dadar (West), Mumbai having gross block of Rs 41.62 million (Previous year Rs 41.62 million) and net block of Rs 38.24 million (Previous year Rs 39.09 million). In lieu of this, the Developer has offered alternate premises at 8th Floor, 'THE RUBY', Dadar (West), Mumbai. Though the Company has shifted its Office in new premises in May 2013, the agreement for the same with the Developer is pending for registration.
- Rupee Term Loans are secured by fixed assets against which Loans have been taken (Refer Note 14 and 15).
- The Company has accounted for impairment in value of an asset aggregating to Rs 18.75 million (Previous year Rs 4.29 million).
- The amount of expenditures recognised in the carrying amount of an item of property, plant and equipment in the course of its construction;-

Notes to the Financial Statements

For The Year Ended 31st March, 2021

₹ in million

Particulars	As on March 31, 2021	As on March 31, 2020
Finance cost	0.61	51.50
Legal & Professional charges	24.01	56.89
Salary and wages	8.64	17.10
Miscellaneous Expenses	8.75	6.14
Land Under Development	-	14.38
Material consumed	-	0.23
Total	42.01	146.24
Less: Capitalised during the year		135.55
Balance disclosed in Capital Work in Progress	42.01	10.69

4. Property, Plant and Equipment

₹ in million

Sr. No.	Particulars	Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
		Opening Balance as on 01-04-2019	Additions	Deletion/ Transfer/ Adjustment	Closing Balance as on 31-03-2020	Opening Balance as on 01-04-2019	Depreciation on Deletion/ Transfer/ Adjustment	Depreciation for the Year	Closing Balance as on 31-03-2020	As on 31-03-2020
A	Tangible Assets									
1	Freehold Land	578.32	180.35	-	758.67	-	-	-	-	758.67
2	Building	866.01	460.44	0.50	1,325.95	97.96	0.06	46.10	144.00	1,181.95
3	Plant & Machinery	2,160.11	774.85	53.76	2,881.20	631.42	19.09	294.46	906.79	1,974.41
4	Electrical Installation	112.52	83.88	1.30	195.10	21.47	0.37	11.31	32.41	162.69
5	Computer	24.38	9.64	0.45	33.57	13.03	0.45	4.79	17.37	16.20
6	Moulds & Dies	744.38	172.17	0.89	915.66	223.18	0.29	113.17	336.06	579.60
7	Office Equipments	21.38	20.90	0.21	42.07	11.12	0.17	5.01	15.96	26.11
8	Furniture & Fixtures	109.42	40.90	0.04	150.28	41.10	0.02	15.51	56.59	93.69
9	Vehicles	25.25	1.70	0.49	26.46	7.41	0.32	3.44	10.53	15.93
	Total	4,641.77	1,744.83	57.64	6,328.96	1,046.69	20.78	493.80	1,519.71	4,809.25
B	Capital Work in Progress									75.33
	Total Tangible Assets									4,884.58
C	Right-of-Use Assets	62.37	-	-	62.37	-	-	15.92	15.92	46.45
	(Refer Note 41)									
	Total	62.37	-	-	62.37	-	-	15.92	15.92	46.45
D	Goodwill	2.96	-	-	2.96	-	-	-	-	2.96
	Total	2.96	-	-	2.96	-	-	-	-	2.96
E	Other Intangible Assets									
1	Computer Software	35.92	1.68	-	37.60	14.77	-	6.02	20.79	16.81
2	Brands/Trademark	26.52	-	-	26.52	12.13	-	4.04	16.17	10.35
	Total	62.44	1.68	-	64.12	26.90	-	10.06	36.96	27.16
	Total Assets (A+B+C+D+E)	4,769.54	1,746.51	57.64	6,458.41	1,073.59	20.78	519.78	1,572.59	4,961.15

Notes to the Financial Statements

For The Year Ended 31st March, 2021

5. Investments

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Non-Current Investments		
Quoted Investments Fair Value through profit or loss		
7,500 Equity shares of Rs 2 each fully paid-up in Adani Ports & Special Eco Zone Ltd (As at 31.03.20 - 7,750 shares)	5.27	1.95
3,200 Equity shares of Rs 2 each fully paid-up in Navneet Education Ltd" (As at 31.03.20 - 3,200 shares)	0.26	0.20
777 Equity shares of Rs 2 each fully paid-up in Supreme Industries Ltd" (As at 31.03.20 - 777 shares)	1.58	0.67
NIL Equity shares of Rs 10 each fully paid-up in Kisan Mouldings Ltd" (As at 31.03.20 - 1,000 shares)	-	0.01
1,666 Equity shares of Rs 1 each fully paid-up in Astral Polytechnik Ltd" (As at 31.03.20 - 1,250 shares)	2.69	1.16
1,400 Equity shares of Rs 5 each fully paid-up in Reliance Industries Ltd" (As at 31.03.20 - 1,400 shares)	2.80	1.56
1,000 Equity shares of Rs 10 each fully paid-up in Finolex Industries Ltd" (As at 31.03.20 - 1,000 shares)	0.64	0.39
Unquoted Investments Fair Value through OCI		
41,500 Equity shares of Ramkrishna FinCap Ltd* (As at 31.03.20 - 41,500 shares)	-	-
1,85,000 Equity shares of Sibar Media & Entertainment Ltd* (As at 31.03.20 - 1,85,000 shares)	-	-
1,69,000 Equity shares of WATSUN Infrabuild Pvt Ltd (As at 31.03.20 - 1,04,000 shares)	1.40	0.36
Total	14.64	6.30
Aggregate Market Value of Quoted investments	13.24	5.93
Aggregate Book Value of Quoted investments	13.24	5.93
Aggregate Book Value of Unquoted investments	1.40	0.36

* Fully impaired

6. Loans

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Non-Current (Unsecured, considered good)		
Security Deposits	83.22	103.12
Total	83.22	103.12
Current (Unsecured, considered good)		
Security Deposits	39.64	8.67
Loans to Employees	1.41	1.93
Total	41.05	10.60

7. Other Financial Assets

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Non - Current Financial Assets		
Subsidy receivable	52.54	86.78
Total	52.54	86.78
Current Financial Assets		
Interest Accrued on Deposits	31.45	24.53
Derivative Assets	-	22.46
Share Issue Expenses Receivables (Refer Note 47)	-	27.73
Total	31.45	74.72

Notes to the Financial Statements

For The Year Ended 31st March, 2021

8. Other Assets

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Other Non-Current Assets (Unsecured, considered good)		
Capital Advances	254.26	495.49
Prepaid Expenses	3.38	1.63
Balance with government and other authorities	0.22	0.22
Total	257.86	497.34
Other Current Assets (Unsecured, considered good)		
Prepaid Expenses	24.41	22.96
Advances to Suppliers	1,253.60	41.45
Balances with Government Authorities	385.28	438.47
Share Issue Expenses (Refer note 47)	-	-
Contract Asset	8.41	13.57
Other Receivables (includes advance for expenses, insurance claim and other receivables)	6.72	33.17
Total	1,678.42	549.62

9. Inventories

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
(Valued at lower of cost or NRV unless otherwise stated)		
Raw Materials (includes in transit 137.20 million as on March 31, 2021, 179.19 million as on March 31, 2020)	882.85	1,604.25
Work in Progress	22.04	48.16
Finished Goods	1,258.76	1,569.21
Trading Goods	87.04	199.40
Stores & Spares	22.63	24.16
Total	2,273.32	3,445.18

The Company follows a suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory.

10. Trade Receivables

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Unsecured, considered good	3,533.71	1,797.08
Unsecured, considered doubtful	81.66	53.82
Less : Allowances for credit losses (Refer Note 32)	(81.66)	(53.82)
Total	3,533.71	1,797.08

11. Cash and Cash Equivalents

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Balances with Banks	84.14	0.09
Cash on Hand	0.28	0.48
Total	84.42	0.57

12. Bank Balances other than Cash and Cash Equivalents

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Balances with Banks in deposit accounts*	940.89	136.90
Earmarked for specific purpose (Refer Note 44b)	1,273.80	2,432.77
Earmarked balances with bank for unpaid dividend	0.12	-
Total	2,214.82	2,569.67

* Lodged in favour of various Government authorities/banks/ other parties Rs. 40.90 million (Rs. 136.90 million as on March 31, 2020).

Notes to the Financial Statements

For The Year Ended 31st March, 2021

13. Equity Share Capital

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Authorised		
14,94,03,500 Equity Shares of 10 each	1,494.04	1,494.04
5,96,500 Compulsorily Convertible Preference Shares of 10 each (As at 31.03.2020 - 15,00,00,000 shares)	5.97	5.97
Total	1,500.00	1,500.00
Issued, Subscribed and Paid up		
11,00,25,759 Equity Shares of 10 each, fully paid up (Refer Note 44) (As at 31.03.2020 - 11,00,25,759 shares)	1,100.26	1,100.26
Total	1,100.26	1,100.26
a. Reconciliation of the number of Equity shares		
Balance at the beginning of the year	11,00,25,759	9,00,15,816
Add : Fresh issue	-	2,00,09,943
Balance as at the end of the year	11,00,25,759	11,00,25,759
b. Reconciliation of the amount of share capital outstanding		
Balance at the beginning of the year	1,100.26	900.16
Add : Fresh issue (Refer Note 44)	-	200.10
Balance as at the end of the year	1,100.26	1,100.26

- c. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Equity Shares	Number of shares (₹ in million)	Number of shares (₹ in million)
Allotted as fully paid up bonus shares	45.01	45.01
Allotted as fully paid up pursuant to contracts for consideration other than cash	0.00	0.00
Bought back by the company	3.00	3.00
d. Details of Equity Shareholders holding more than 5% shares in the company		
Mr. Jayant Shamji Chheda		
No of shares (in million)	6.56	6.56
% of shares held	5.96	5.96
Mrs. Tarla Jayant Chheda		
No of shares (in million)	17.39	17.39
% of shares held	15.80	15.80
Mr. Parag Jayant Chheda		
No of shares (in million)	21.58	21.58
% of shares held	19.62	19.62

Notes to the Financial Statements

For The Year Ended 31st March, 2021

Equity Shares	Number of shares (₹ in million)	Number of shares (₹ in million)
Mr. Vipul Jayant Chheda		
No of shares (in million)	22.15	22.15
% of shares held	20.13	20.13
South Asia Growth Fund li Holdings, Llc		
No of shares (in million)	5.93	5.93
% of shares held	5.39	5.39

e. **Equity shares reserved for issue under ESOS - Refer Note 37**

f. **Terms and rights attached to equity shares**

The company has only one class of equity shares having a face value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. In case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

14. Long Term Borrowings

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
	Non Current		Current Maturities*	
SECURED				
a) RUPEE TERM LOAN FROM BANKS				
1 Term loan from Federal Bank Ltd	-	225.00	-	50.00
(Repayable in 28 equal quarterly installments, last installment falling due on 15-09-2025)				
2 Term loan from Indusind Bank Ltd	-	120.00	-	30.00
(Repayable in 22 equal quarterly installments, last installment falling due on 12-03-2025)				
Sub Total (A)	-	345.00	-	80.00
Effective cost for the above loans outstanding are in the range of Nil % per annum (Previous year 8.95% -9.30% per annum)				
b) FOREIGN CURRENCY TERM LOAN FROM BANKS				
3 ECB from Standard Chartered Bank.	-	49.59	-	85.01
(Repayable in 16 equal quarterly installments, last installment falling due on 28-12-2021)				
Sub Total (B)	-	49.59	-	85.01
Effective cost for the above loans outstanding are in the range of Nil % per annum without considering hedging cost (Previous year 4% -5% per annum).				

* Amounts disclosed under the head 'Other Financial Liabilities'

Notes to the Financial Statements

For The Year Ended 31st March, 2021

Details of Security:

1 Loans covered under S.No.1 to 3 above:

Secured by first pari passu charge over the Company's present and future Fixed Assets (movable & immovable) located at Athal Plant, Dadra Plant, Haridwar Plant, Chennai Plant Kolhapur Plant & Jaipur Plant and company's office premises at Ruby House, 4th Floor, Dadar. Second pari passu charge on Company's present & future Current Assets and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

15. Borrowings - Current

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Secured		
Working Capital/Demand Loans From Banks	552.08	1,605.30
Unsecured		
Short Term Loans/Overdraft	300.13	432.81
Total	852.20	2,038.11

Note:

Security Terms

- For the year ended 31.03.2021, Secured by first pari passu Charge on present & future Current Assets of the company and Second Pari passu Charge on company's present & future Fixed Assets(Movable and Immovable) situated at our Plants at Athal, Dadra, Haridwar, Chennai, Kolhapur and Jaipur.
- For the year ended 31.03.2020, Secured by first pari passu Charge on present & future Current Assets of the company and Second Pari passu Charge on company's present & future Fixed Assets(Movable and Immovable) situated at our Plants at Athal, Dadra, Haridwar, Chennai, Kolhapur, Jaipur and at the office premises at 4th Floor, Ruby House, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

Details of Secured Borrowings

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
1. Bank of India	-	31.80
2. ICICI Bank	153.92	113.59
3. Standard Chartered Bank	-	496.90
4. DBS Bank	75.00	313.53
5. Federal Bank	192.00	318.12
6. Yes Bank	30.00	31.23
7. IDFC Bank	101.16	250.13
8. Indus Ind Bank	-	50.00
Total	552.08	1,605.30

16. Other Financial Liabilities

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Non-Current Financial Liabilities		
Security Deposits	145.75	146.05
Total	145.75	146.05
Current Financial Liabilities		
<u>Current Maturities of Long Term Debt</u>		
Rupee Loans From Banks	-	80.00
Foreign Currency Loans From Banks	-	85.01
Interest Accrued but not due on Borrowings	1.97	11.38
Interest payable to MSMED (Refer Note 42)	0.17	2.15
Creditors for Capital Goods	130.13	105.67
Employee Related Liabilities	196.30	114.63
Derivative Liability	5.87	-
Unpaid Dividend	0.12	-
Other Current Liabilities (includes creditors for expenses and other liabilities)	960.95	491.02
Total	1,295.51	889.86

Notes to the Financial Statements

For The Year Ended 31st March, 2021

17. Leases

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Non-Current		
Lease Liabilities (Refer Note 41)	13.10	28.14
Total	13.10	28.14
Current		
Lease Liabilities (Refer Note 41)	15.04	15.82
Total	15.04	15.82

18. Provisions

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Non-Current		
Provision for Employee Benefits	116.51	112.63
Total	116.51	112.63
Current		
Provision for Employee Benefits	17.08	20.90
Total	17.08	20.90

19. Deferred Tax Liabilities (Net)

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Deferred Tax Liabilities / (assets) attributed to:		
Property, Plant and Equipments	186.59	181.17
Others (Primarily include financial assets, employee benefit and expense disallowances)	(53.50)	(48.08)
Total	133.09	133.09

20. Trade Payables

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Outstanding to Micro, Small and Medium Enterprises	261.99	320.89
Trade Payables - Other than Micro, Small and Medium Enterprises	2,229.10	1,486.94
Total	2,491.09	1,807.83

Note: Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

21. Current Tax Liabilities

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Provision for Income Tax (Net of Advance Tax Rs. 1,393.79 million as at 31.03.21, Rs. 1,032.76 million as at 31.03.20)	199.02	27.42
Provision for Dividend Tax Payable	-	23.29
Total	199.02	50.71

22. Other Current Liabilities

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Statutory Dues	324.01	39.63
Advances received from Customers	23.58	48.00
Total	347.59	87.63

23. Revenue from Operations

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Revenue from Contract with Customers (Refer Note 45)		
Sale of Products & Services		
Finished Goods	19,858.76	15,839.64
Traded Goods	807.24	437.56
Contract Revenue	17.33	36.45
A	20,683.33	16,313.65
Other Operating Revenue		
Scrap Sales	30.12	35.48
Profit on Import Licenses	1.41	7.44
Duty Drawback	0.31	-
B	31.84	42.92
Total (A+B)	20,715.17	16,356.57

Notes to the Financial Statements

For The Year Ended 31st March, 2021

24. Other Income

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Interest	158.62	47.17
Dividend	0.01	0.09
Gain on fair valuation of Investments through Profit and loss	7.44	-
Profit on sale of Shares (Net)	0.06	
Mark to Market gain on Derivatives	-	10.85
Balances written back	9.86	11.31
Miscellaneous Income	-	0.02
Total	175.99	69.44

25. Cost of Materials Consumed

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Inventory at the beginning of the year	1,604.25	1,065.51
Add : Purchases	12,256.12	12,182.44
Less : Inventory at the end of the year	(882.85)	(1,604.25)
	12,977.52	11,643.70
Contract Cost	15.44	28.54
Total	12,992.96	11,672.24

26. Purchase of Stock in Trade

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Trading Purchases	346.62	484.88
Total	346.62	484.88

27. Changes in inventories of finished goods, work in progress and stock in trade

Stock at the end of the year

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Traded goods	87.04	199.40
Work in Progress	22.04	48.16
Finished Goods - Pipes & Fittings	1,258.76	1,569.21
A	1,367.84	1,816.77
Stock at the beginning of the year		
Traded goods	199.40	99.48

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Work in Progress	48.16	32.09
Finished Goods - Pipes & Fittings	1,569.21	792.45
B	1,816.77	924.02
(Increase)/Decrease in Stocks (B-A)	448.93	(892.75)

28. Employee Benefit Expenses

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Remuneration to Directors	134.65	39.18
Salary, Wages and Bonus	752.20	730.38
Contribution to Provident Fund and other Fund	36.34	62.66
Staff Welfare	20.74	20.06
Other employee related benefit expenses	49.54	43.30
Employee Compensation Expenses (ESOP 2017) (Refer Note 37)	3.51	6.02
Total	996.98	901.60

29. Finance Cost

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Interest		
On Working Capital from Banks	118.42	163.88
On Term Loans	34.01	110.35
On Lease Liability (Refer Note 41)	4.54	2.75
Others	24.17	9.53
Bank Commission and Charges	25.53	45.19
Total	206.67	331.70

Notes to the Financial Statements

For The Year Ended 31st March, 2021

30. Other Expenses

Particulars	₹ in million	
	As at 31-03-2021	As at 31-03-2020
Consumption of Stores and Spares	100.50	106.67
Power and Fuel Expenses	419.78	449.35
Labour Charges	271.09	288.85
Repairs Expenses		
Repairs to Machinery	16.79	24.75
Repairs to Others	12.48	7.16
Factory Maintenance Expenses	41.41	42.89
Computer Expenses	36.06	28.86
Brokerage and Commission	49.46	24.38
Printing and Stationery	2.22	3.67
Telephone and Internet Charges	6.08	7.75
Rates and Taxes	22.02	10.12
Insurance Premium	24.39	18.86
Foreign Currency Exchange Difference (Net)	33.24	52.39
MTM Losses on Derivatives	5.87	-
Legal and Professional Fees	36.63	30.59
Director's Sitting Fees	3.30	2.43
Transport, Freight and Octroi Charges	258.85	231.61
Loss on fair valuation of Investments through Profit and loss	-	1.82
Advertisement and Sales Promotion Expenses	657.17	321.17
Rent and Maintenance Expenses (Refer Note 41)	104.89	90.52
Travelling and Conveyance Expenses	41.25	65.37
Provision for Doubtful Advances to Vendors	6.53	-
Provision for Doubtful Debts (Refer Note 32)	50.42	16.96
Provision for impairment in value of an asset	-	4.29
Loss on sale of Fixed Assets (Net)	22.74	13.52
Donation	14.00	27.76
CSR Activities (Refer Note 51)	25.80	10.00

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Electricity Expenses	1.65	1.93
Miscellaneous Expenses	44.57	15.58
Payment to Auditors		
Audit Fees (including limited reviews)*	4.00	3.50
Reimbursement of expenses	0.03	0.03
Others	0.13	0.04
Total	2,313.35	1,902.82

*exclude the fees paid to auditors for IPO amounting to Rs. NIL million (Previous year Rs. 3.28 million) which is adjusted towards security premium account (Refer Note 47)

31 Capital Management (Ind AS 1):

The Company's objectives when managing capital are to:

- maximise shareholder value and provide benefits to other stakeholders and,
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of issued capital, share premium and all other equity reserves attributable to the equity holders. The company's risk management committee reviews the capital structure of the company. The Company monitors capital using debt-equity ratio, which is debt divided by equity.

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Debt*	852.20	2,597.71
Equity	10,434.78	8,376.76
Debt to Equity	0.08	0.31

*Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings, as described in notes 15 and 16.

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

32 Financial Risk Management Objectives (Ind AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. These are primarily represents liabilities from operations and financial liabilities to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Company. The company uses derivative financial instruments, such as foreign exchange forward contracts, cross currency swaps that are entered to hedge foreign currency risk exposure and hedge interest rate exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
A. Market Risk			
1) Foreign Exchange Risk	Committed commercial transaction	Cash Flow Forecasting	Forward foreign exchange contracts and cross currency swap
	Financial Instruments not denominated in INR	Sensitivity Analysis	
2) Interest Rate	Long Term Borrowings at variable rates	Sensitivity Analysis, Interest rate movements	Cross currency swap, monitoring of limits of fund based and non fund based facilities, diversification of borrowing portfolio
3) Commodity Price Risk	Movement in prices of commodities	Sensitivity Analysis, Commodity price tracking	Active inventory management, Sales Price linked to purchase price
B. Credit Risk	Trade receivables, Investments, Derivative financial instruments, loans	Ageing analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
C. Liquidity Risks	Borrowings and Other Liabilities and Liquid investments	Rolling cash flow forecasts	Monitoring of credit lines and borrowing limits, channel finance arrangement

The Company has policies, procedures and authorisation matrix for utilisation of funds, which ensures deployment of fund in prudent manner and the availability of funding through an adequate amount of credit facilities to meet obligation when due. The Company on periodical basis reviews implementation and execution of above policies.

A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

1) Foreign Currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials, capital expenditure and exports. When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and procedures. It uses derivative instruments like foreign currency forwards and cross currency swaps to hedge exposure to foreign currency risk.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

₹ in million

Outstanding foreign currency exposure	As at 31-03-2021	As at 31-03-2020
Financial Liabilities		
Trade Payables		
USD	15.54	11.62
Euro	-	0.26
Borrowing		
USD	1.38	1.78
Financial Assets		
Trade Receivable		
USD	-	-
Others		
USD	-	-
Euro	-	-

Foreign Currency sensitivity on unhedged exposure

Gain / (Loss) in rupees due to increase in foreign exchange rates by 100 bps

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
USD	(12.37)	(10.13)
EURO	-	(0.21)

Note: If the rate is increased by 100 bps profit will decrease by an equal amount.

2) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to

the risk of changes in market interest rates relates primarily to the company's term loans and short term borrowing with floating interest rate. For foreign currency loan with floating rate, the risk of variation in interest rate is mitigated through cross currency swap. The company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest Rate exposure

₹ in million

Particular	Total Borrowing	Floating Rate Borrowing
INR	751.05	751.05
USD	101.16	101.16
Total as at March 31, 2021	852.20	852.20
INR	2,463.11	2,463.11
USD	134.60	134.60
Total as at March 31, 2020	2,597.71	2,597.71

Interest rate sensitivities for unhedged exposure

Gain / (Loss) due to increase in interest rates by 100 bps

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
INR	(8.52)	(25.98)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings are outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for unhedged floating rate borrowing have been done on the INR value of foreign currency borrowing.

Forward exchange and Cross Currency Swaps Contracts:

(a) Derivatives for hedging currency and interest rates, outstanding are as under:

Particular	Purpose	Currency	As at 31-03-2021	As at 31-03-2020
Forward Contracts	Imports	USD (in million)	13.02	9.32
Cross Currency Swap	ECB*	USD (in million)	-	1.78

* External Commercial Borrowings

Notes to the Financial Statements

For The Year Ended 31st March, 2021

(b) Cash Flow Hedges

The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken Cross Currency Swaps. The Company is following hedge accounting for the foreign currency borrowings raised based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

- (i) an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk; and
- (iii) assessment of the hedge ratio

The Company designates the Cross currency swaps to hedge its currency risk and interest rate risk and applies a hedge ratio 1:1.

Foreign currency cash flow

Particular	As at	Foreign Currency USD million
Buy currency for External Commercial Borrowings (USD)	31-03-2021	-
Buy currency for External Commercial Borrowings (USD)	31-03-2020	-

Cross Currency Swaps

Particular	As at	Foreign Currency USD million
2 to 5 years	31-03-2021	-
2 to 5 years	31-03-2020	1.78

Recognition of gains/(losses) under cross currency swaps contracts designated under cash flow hedges:

Particular	As at 31-03-2021		As at 31-03-2020	
	₹ in million	₹ in million	₹ in million	₹ in million
	Effective hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	3.46	-	2.04	-

3) Commodity Price Risk

Commodity price risk for the Company is mainly related to fluctuations in raw material prices linked to various external factors, which can affect the production cost of the Company. To manage this risk, the Company monitors factors affecting prices, identifies new sources of supply of raw material, monitors inventory level, etc.

B. Credit Risk Management

Credit risk arises when a customer or counterparty does 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) and from its financing / investing activities, including deposits with banks, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

Trade Receivable

Trade receivables are consisting of a large number of customers / distributors. The Company has credit evaluation policy for each customer / distributor and based on the evaluation credit limit of each customer / distributor is defined.

Total trade receivable as on March 31, 2021 Rs. 3,533.71 million (March 31, 2020 is Rs. 1,797.08 million.)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. The policy for creating provision for credit losses on trade receivables is as per following provision matrix:-

Particular	Loss Allowance Provision
0 to year	Nil
Above one year and less than two year	20%
Above two year and less than three year	40%
Above three year and less than four year	80%
More than four year	100%

Further, in addition to the provisions as per provision matrix, the Company also provides for credit allowances on specific identification basis.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

As at 31-03-2021	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	-	-	-	-
Short term loan	852.20	-	-	852.20
Trade Payable	2,491.09	-	-	2,491.09
Interest accrued but not due on borrowing	1.97	-	-	1.97
Other financial liabilities	1,287.67	145.75	-	1,433.42
Lease Liabilities (undiscounted)	21.37	20.49	-	41.86
Derivative Liability	5.87	-	-	5.87

Movement of provision for doubtful debts:

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Opening Provision	53.82	42.21
Add: Provision during the year	50.42	16.96
Less: Utilised during the year	22.58	5.35
Closing Provision	81.66	53.82

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

C. 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 reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

₹ in million

As at 31-03-2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	165.01	394.59	-	559.60
Short term loan	2,038.11	-	-	2,038.11
Trade Payable	1,807.83	-	-	1,807.83
Interest accrued but not due on borrowing	11.38	-	-	11.38
Other financial liabilities	713.47	146.05	-	859.53
Lease Liabilities (undiscounted)	20.36	41.86	-	62.22
Derivative Liability	-	-	-	-

32A Classification of Financial Assets and Liabilities (Ind AS 107)

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Financial Assets at amortised cost*		
Trade receivable	3,533.71	1,797.08
Loans	124.27	113.72
Cash and cash equivalents	84.42	0.57
Other Balances with Banks	2,214.82	2,569.67
Other Financial Assets	83.99	139.04
Financial Assets at fair value through profit or loss		
Investment	13.24	5.93
Derivative Asset	-	22.46
Financial Assets at fair value through other comprehensive income		
Investments	1.40	0.36
Total	6,055.85	4,648.83
Financial Liabilities at amortised cost*		
Term Loans from Banks (including current maturities of long term borrowing)	-	559.60
Lease Liabilities	28.14	43.95
Working Capital loans/ Cash credits	852.20	2,038.11
Trade Payable	2,491.09	1,807.83
Other Financial Liabilities	1,435.39	870.91
Fair Value Hedging Instruments		
Derivative Liability	5.87	-
Total	4,812.70	5,320.41

* Considering the nature of financial assets and financial liabilities fair value is same as amortised cost.

33 Fair Value measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques. The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all quoted investments which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. Unquoted investments are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

₹ in million

Particular	Fair Value	
	As at 31-03-2021	As at 31-03-2020
Financial Assets at fair value through profit or loss		
Investments-Level 1	13.24	5.93
Fair Value hedging instruments		
Derivative Assets- level 2	-	22.46
Financial Assets at fair value through other comprehensive income		
Investment- Level 2	-	0.36
Financial Assets at fair value through other comprehensive income		
Investment- Level 3	1.40	-
Total	14.64	28.75
Fair Value hedging instruments		
Derivative liability- level 2	5.87	-
Total	5.87	-

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted investments are based on market price/net asset value at the reporting date.
- The fair value of unquoted investments is based on closing Net Assets Value.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

34 Contingent Liability and Commitments not provided for in respect of:

i) Claims against the company not acknowledged as debt

₹ in million

Particulars	As at 31-03-2021	As at 31-03-2020
Income Tax (related to compliance and allowance & disallowance)	27.67	27.67
Excise Duty*	0.38	0.38
Sales Tax*	17.20	8.98
Other Cases (related to customers & others)	11.00	0.35

*on account of disputes in tax rates

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

ii) Guarantees

Guarantees given by Banks on behalf of the Company to Government and Semi Government Authorities upto Rs. 107.55 million (March 31, 2020 Rs.48.87 million).

iii) Commitments

Estimated amount of Contracts remaining to be executed on Capital account and not provided for are Rs.939.86 million (March 31, 2020 Rs. 321.53 million) and Other Commitments Rs. 726.03 million (March 31, 2020 Rs. 853.52 million)

- The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Pending directions or clarification from the EPFO, the quantification of impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

35 Employee Benefits

The disclosures required under IND AS 19 "Employee Benefits" are given below :

A Defined Contribution Plans:

Amount recognized as an expense and included in Note 28 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss Rs. 39.05 million (March 31, 2020 Rs.33.34 million).

Notes to the Financial Statements

For The Year Ended 31st March, 2021

B Defined Benefit Plans:

Gratuity:

The Company operates a defined benefit plan covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment. The Gratuity scheme of the company is funded for certain employees and non funded for the remaining employees.

Compensated Absences :

The Company allows privilege leave and sick leave to its employees. Privilege leave and sick leave are accumulated and can be availed during the period of employment or encashed at the time of resignation, retirement or termination of employment.

i) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation:

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Present Value of obligations at the beginning of the year	2.76	68.32	65.20	2.21	47.94	46.69
Interest Cost	0.19	4.72	4.50	0.17	3.67	3.57
Past Service Cost	-	-	-	-	-	-
Current Service Cost	0.33	8.49	16.60	0.37	8.59	17.14
Benefits paid	(0.05)	(6.43)	(4.06)	(0.34)	(2.39)	(4.27)
Actuarial (gain)/ loss on obligation	(0.45)	(4.17)	(19.59)	0.35	10.51	2.07
Present Value of obligations at the end of the year	2.77	70.93	62.66	2.76	68.32	65.20

ii) Statement showing changes in the fair value of plan assets

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Fair Value of plan assets at the beginning of the year	3.44	-	-	2.62	-	-
Adjustment due to opening balance	(0.23)	-	-	-	-	-
Actual Return on Plan Assets	-	-	-	0.20	-	-
Contributions	-	6.43	4.06	0.96	2.39	4.27
Benefits paid	(0.05)	(6.43)	(4.06)	(0.34)	(2.39)	(4.27)
Fair Value of Plan Assets at the end of the year	3.16	-	-	3.44	-	-

Notes to the Financial Statements

For The Year Ended 31st March, 2021

iii) Amount to be recognised in the Balance Sheet

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Present Value of obligation	(2.77)	(70.93)	(62.66)	(2.76)	(68.32)	(65.20)
Fair Value of Plan Assets	3.16	-	-	3.44	-	-
Funded Status	0.39	(70.93)	(62.66)	0.68	(68.32)	(65.20)
Unrecognized Actuarial gain/ (loss)	-	-	-	-	-	-
Net Asset/(Liability) recognised in the Balance Sheet	0.39	(70.93)	(62.66)	0.68	(68.32)	(65.20)

iv) Expenses recognised in the Profit and Loss Statement

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Current Service Cost	0.33	8.49	16.60	0.37	8.59	17.14
Interest Cost	0.19	4.72	4.50	0.17	3.67	3.57
Expected Return on Plan Assets	-	-	-	(0.20)	-	-
Past Service cost	-	-	-	-	-	-
Net Actuarial (gain)/ loss recognised in the year	-	-	(19.59)	-	-	2.07
Expenses recognised in the Profit and Loss Statement	0.52	13.21	1.51	0.34	12.26	22.78

v) Re-Measurement recognised in OCI

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Changes in Financial Assumptions	0.01	-	-	0.48	10.98	-
Changes in Demographic Assumptions	-	-	-	-	-	-
Experience Adjustment	(0.47)	(4.17)	-	(0.13)	(0.47)	-
Actual return on Plan Assets less interest on plan assets	-	-	-	-	-	-
Expenses recognised in OCI [Loss / (Gain)]	(0.45)	(4.17)	-	0.35	10.51	-

Notes to the Financial Statements

For The Year Ended 31st March, 2021

vi) Maturity Profile of Defined Benefit Obligation

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Within next 12 month	0.36	10.98	8.24	0.37	11.94	11.05
Between 1 and 5 year	2.29	59.22	38.58	2.20	57.90	37.18
Between 5 and 10 year	-	-	-	-	-	-
10 Year and above	-	-	-	-	-	-

vii) Sensitivity Analysis for significant assumption

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
0.5% Increase in discount rate	(0.10)	(2.32)	(2.07)	(0.10)	(2.22)	(2.06)
0.5% decrease in discount rate	0.11	2.48	2.20	0.11	2.36	2.20
0.5% Increase in salary escalation clause	0.01	2.52	2.24	0.11	2.39	2.24
0.5% Decrease in salary escalation clause	(0.10)	(2.37)	(2.20)	(0.10)	(2.27)	(2.12)

* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

viii) Major Categories of Plan Assets as Percentage of Total Plan

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Funds managed by insurer (LIC)	100%	-	-	100%	-	-

ix) Principal actuarial assumptions at the Balance Sheet date

₹ in million

Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Discounted Rate	6.91%	6.91%	6.91%	6.91%	6.91%	6.91%
Expected Return on Plan Assets	-	-	-	-	-	-
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Rate of increase in compensation	5.00%	5.00%	8.00%	5.00%	5.00%	8.00%
Withdrawal Rates	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Retirement Age	60 yrs.	60 yrs.	60 yrs.	60 yrs.	60 yrs.	60 yrs.

* Note : The rate of increase in compensation for privilege leave encashment is 8% and for sick leave encashment it is 8%.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

x) Particulars	For the year ended 31-03-2021			For the year ended 31-03-2020		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded	
Weighted average duration of defined benefit obligation	8.44	12.98	NA	7.44	12.57	NA

xi) Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

xii) The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

xiii) Asset Liability matching strategy:

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested for funded gratuity plan. The Company has outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the permissible limits prescribed in the insurance regulation. Due to the restriction in the type of investment that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy. There is no compulsion on the part of the Company to fully prefund the liability of the Plan.

xiv) The Company's expected contribution during next year is Rs. 32.05 million (March 31, 2020 of Rs. 32.99 million).

36 Related Party Disclosures

a) Name of Related Party	For the year ended 31-03-2021	For the year ended 31-03-2020
M/S Prince Marketing	SI *	SI *
M/s Pinnacle Realty Projects Pvt. Ltd.	SI *	SI *
M/s Ace Polyplast Pvt. Ltd.	SI *	SI *
Prince Foundation	SI *	SI *
Jayant S. Chheda Charitable Trust	SI *	SI *
Amardeep Udyog (Firm)	SI *	SI *
Mrs. Tarla J. Chheda (Wife of Director)	Relatives ***	Relatives ***
Mrs. Ashwini V. Chheda (Wife of Director)	Relatives ***	Relatives ***
Jayant S. Chheda (HUF) (Relative)	Relatives ***	Relatives ***
Mrs. Vaishali H. Shah (Relative)	Relatives ***	Relatives ***
Mrs. Heena P. Chheda (Relative)	Relatives ***	Relatives ***
Mr. Jayant S. Chheda (Managing Director)	KMP **	KMP **
Mr. Parag J. Chheda (Director)	KMP **	KMP **
Mr. Vipul J. Chheda (Director)	KMP **	KMP **
Mr. Nihar P. Chheda (Associate Vice President)	Relatives ***	Relatives ***
Mr. Ramesh Chandak (Independent Director)	KMP **	KMP **

Notes to the Financial Statements

For The Year Ended 31st March, 2021

a)	Name of Related Party	For the year ended 31-03-2021	For the year ended 31-03-2020
	Mr. Mohinder Pal Bansal (Independent Director)	KMP **	KMP **
	Mr. Dilip Deshpande (Independent Director)###	KMP **	KMP **
	Mrs. Uma Mandavgane (Independent Director)	KMP **	KMP **
	Mr. Rajendra Gogri	KMP **	KMP **

* SI represents Enterprises over which Key Managerial Personnel have significant influence as defined in Ind AS 24

** KMP represents Key Managerial Personnel as defined in Ind AS 24

*** Relatives represents Relatives of Key Managerial Personnel as defined in Ind AS 24

Appointed on 29.06.2019

b) Transactions carried out with related parties referred above, in the ordinary course of business:

₹ in million

Name of the transacting related party	Nature of Transactions	For the year ended 31-03-2021	For the year ended 31-03-2020
M/s Ace Polyplast Pvt. Ltd.	Purchase of Goods	-	193.24
M/s Prince Marketing	Advance against Property	(400.00)	-
Jayant S. Chheda	Rent paid	2.55	2.42
Parag J. Chheda	Rent paid	5.09	4.85
Vipul J. Chheda	Rent paid	5.09	4.85
Tarla J. Chheda	Rent paid	2.55	2.42
Ashwini V. Chheda	Rent paid	5.09	4.85
Amardeep Udyog (Firm)	Purchase of Goods	3.55	8.48
Jayant S. Chheda	Remuneration and Commission	50.84	16.07
Parag J. Chheda	Remuneration and Commission	47.76	13.41
Vipul J. Chheda	Remuneration and Commission	46.22	12.05
Heena P. Chheda	Remuneration and Commission	-	6.29
Jayant S. Chheda	Reimbursement of travelling expenses	-	0.37
Parag J. Chheda	Reimbursement of travelling expenses	-	0.06
Vipul J. Chheda	Reimbursement of travelling expenses	-	0.04
Jayant S. Chheda	Share issue expenses reimbursement from promoters	0.47	(12.17)
Tarla J. Chheda	Share issue expenses reimbursement from promoters	3.28	(85.21)
Parag J. Chheda	Share issue expenses reimbursement from promoters	1.76	(45.65)
Vipul J. Chheda	Share issue expenses reimbursement from promoters	1.52	(39.56)
Ashwini V. Chheda	Salary	1.06	1.14
Heena P. Chheda	Salary	6.62	2.10

Notes to the Financial Statements

For The Year Ended 31st March, 2021

₹ in million

Name of the transacting related party	Nature of Transactions	For the year ended 31-03-2021	For the year ended 31-03-2020
Nihar P. Chheda	Salary	4.83	2.87
Vaishali H. Shah	Salary	0.54	0.30
Prince Foundation	Donation	4.00	5.53
Mr. Ramesh Chandak (Independent Director)	Sitting fees	0.90	0.60
Mr. Mohinder Pal Bansal (Independent Director)	Sitting fees	0.85	0.58
Mr. Rajendra Vallabhji Gogri (Independent Director)	Sitting fees	0.20	-
Mr. Dilip Deshpande (Independent Director)	Sitting fees	0.40	-
Mrs. Uma Mandavgane (Independent Director)	Sitting fees	0.95	0.73

c) Outstanding balances:

₹ in million

Name of the transacting related party	Nature of Transactions	For the year ended 31-03-2021	For the year ended 31-03-2020
Amardeep Udyog (Firm)	Trade Payables	0.00	-
M/S Prince Marketing	Advance against Property	-	400.00
Jayant S. Chheda	Remuneration and Commission Payable	33.95	1.28
Parag J. Chheda	Remuneration and Commission Payable	33.67	1.06
Vipul J. Chheda	Remuneration and Commission Payable	33.53	0.94
Jayant S. Chheda	Deposit given	1.35	1.35
Parag J. Chheda	Deposit given	2.70	2.70
Vipul J. Chheda	Deposit given	2.70	2.70
Tarla J. Chheda	Deposit given	1.35	1.35
Ashwini V. Chheda	Deposit given	2.70	2.70
M/S Prince Marketing	Deposit received	-	(0.50)
Jayant S. Chheda	Share issue expenses recoverable from promoters	-	(0.22)
Tarla J. Chheda	Share issue expenses recoverable from promoters	-	(1.51)
Parag J. Chheda	Share issue expenses recoverable from promoters	-	14.68
Vipul J. Chheda	Share issue expenses recoverable from promoters	-	14.78
Heena P. Chheda	Salary Payable	0.55	0.17
Nihar P Chheda	Salary Payable	0.39	0.13
Vaishali H. Shah	Salary Payable	0.05	0.01
Ashwini V. Chheda	Salary Payable	0.09	0.08

List of Related Parties and transactions have been identified by the management and relied upon by the Auditors

Notes to the Financial Statements

For The Year Ended 31st March, 2021

37 Share Based Payments (Ind AS 102)

The Company has granted 900,158 options to its eligible employees in various ESOP Schemes, details are as under:

- i) No of Option granted will be 900,158
- ii) Exercise price of options will be Rs.200/- per share
- iii) Date of grant 16th September 2017
- iv) Period within which options will vest unto the participant:

End of 1 year from the date of grant of options:	10%
End of 2 year from the date of grant of options:	20%
End of 3 year from the date of grant of options:	30%
End of 4 year from the date of grant of options:	40%
- v) Maximum term of options granted is 4 years
- vi) Method of settlement is equity settled

Employee stock option activity under Scheme 2017 is as follows:

Particulars	For the year ended 31-03-2021		For the year ended 31-03-2020	
	No of shares	WAEP	No of shares	WAEP
Outstanding at beginning of the year	660,724	-	729,004	-
Granted during the year	-	-	-	-
Forfeited during the year	34,854	-	68,280	-
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	625,870	-	660,724	-
Options Unvested at the end of the year	250,348	-	462,507	-
Exercisable at the end of the year	375,522	-	198,217	-

Fair Valuation:

The fair value of option have been done by an independent firm on the date of grant using the Black-Scholes Model

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Variables	Grant Date: September 16, 2017			
	Vest 1	Vest 2	Vest 3	Vest 4
Fair Market Value	200	200	200	200
Volatility	0.00%	0.00%	0.00%	0.00%
Risk free Rate	6.20%	6.34%	6.48%	6.60%
Exercise Price	200	200	200	200
Expected Life	2	3	4	5
Dividend yield	0	0	0	0
Option Fair Value	22.66	33.67	44.42	54.73
Vesting schedule	0.1	0.2	0.3	0.4
Weighted average fair value	44.22			

Notes to the Financial Statements

For The Year Ended 31st March, 2021

Details of Liabilities arising from the share based payment were as follows:

Variables	For the year ended 31-03-2021	For the year ended 31-03-2020
Total Carrying Amount (in million)	26.11	22.59

38 Income Taxes (Ind AS 12)

Reconciliation of Effective Tax Rate

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
Profit before Tax (in million)	2,991.48	1,505.74
Tax Expense (in million)	773.16	380.67
Effective Tax Rate (in %)	25.85%	25.28%
Effect of Non-Deductible / Deductible expenses (in %)	-0.67%	-1.56%
Effect of MAT credit utilised (in %)	0.00%	0.00%
Applicable Tax Rate (in %)	25.17%	25.17%

The Government of India, on 20.09.2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides an option to the Company for paying income tax at reduced rates subject to compliance of the conditions stipulated therein. Pursuant to election of above option, the Company has reversed deferred tax liabilities amounting to Rs.49.94 million due to reduction in effective income tax rate from 34.944% to 25.168% during the year ended 31.03.2020.

39 The Company is engaged in manufacturing and selling of PVC, CPVC, PPR and HDPE Pipes and Fittings primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company

40 Disclosure pertaining to Ind AS-33 Earnings Per Share

Earnings per share (EPS) is calculated as under :

Sr No	Particulars	₹ in million	
		For the year ended 31-03-2021	For the year ended 31-03-2020
1	Profit for the year attributable to owners of the company (A)	2,218.32	1,125.07
2	Weighted average number of equity shares for Basic EPS (B)	110.03	95.60
3	Basic EPS (A/B)	20.16	11.77
4	Potential Equity Shares on exercise of options (C)	0.06	-
5	Weighted average number of equity shares for Diluted EPS (B+C) (D)	110.09	95.60
6	Diluted EPS (A/D)	20.15	11.77
7	Nominal Value of Share	10.00	10.00

41 Disclosure pertaining to Ind AS 116 Lease is as under

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases". The Company has not applied the requirements of Ind AS 116 for leases of low value assets.

The effect of initial recognition as per Ind AS 116 is as follows:
₹ in million

Particulars	31-03-2020
Right of Use Assets recognised as on 01.04.2019	62.37
Lease Liabilities recognised as on 01.04.2019	60.59
Net Impact on Retained Earnings as on 01.04.2019	1.78

The effect of implementing Ind AS 116 for the year ended March 31, 2020 is as follows:
₹ in million

Particulars	For the year ended 31-03-2020
Depreciation and Amortisation expenses are higher by	15.92
Finance Costs are higher by	2.75
Rent and Maintenance Expenses are lower by	19.39

Lease Expenses recognized in Profit and Loss statement not included in the measurement of lease liabilities:
₹ in million

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
Expenses relating to short-term leases	52.44	51.79
Expenses relating to leases of low-value assets	-	-

Maturity analysis of lease liabilities– contractual undiscounted cash flows:
₹ in million

Particulars	31-03-2021	31-03-2020
Less than one year	21.37	20.36
One to five years	20.49	41.86
More than five years	-	-
Total undiscounted lease liabilities at March 31, 2020	41.86	62.22

42. Information as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ in million

Sr No	Particulars	31-03-2021	31-03-2020
a (i)	The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	261.99	318.74
(ii)	Interest due on above and unpaid interest	0.17	2.15
	Total (i+ii)	262.16	320.89
b	The amount of interest paid by the buyer in terms of section 16 of the Act	-	-
c	The amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
d	The amounts of interest accrued and remaining unpaid at the end of financial year	0.17	2.15
e	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act	-	-
f	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The identification of suppliers as micro, small and medium enterprise defined under "The Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of information to the extent provided by the suppliers of the Company and has been relied upon by the auditors.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

43 During the year ended 31.03.2020, the Company has commissioned a new manufacturing plant at Jobner, Rajasthan. The installed capacity of the manufacturing plant at Rajasthan as on 31.03.2020 is 20,909 MT.

44 Fresh issue of shares

- a. During the year ended 31.03.2020, the Company had completed the Initial Public Offer (IPO) of its equity shares comprising a fresh issue of 1,40,44,943 equity shares having a face value of Rs. 10 each at an offer price of Rs. 178 per share aggregating to Rs. 2,500 million and an offer for sale of 1,40,44,942 equity shares by existing shareholders aggregating to Rs. 2,500 million. Pursuant to the IPO, the Equity shares of the Company have got listed on BSE limited and NSE limited on 30.12.2019.
- b. During the year ended 31.03.2020, the Company had undertaken a private placement (Pre IPO Placement) of 5,96,500 Compulsorily convertible preference shares (CCPS) having a face value of Rs. 100 each at a premium of Rs. 1,680 each aggregating to Rs. 1,061.77 million. The same have been converted into 59,65,000 equity shares of Rs. 10 each at a premium of Rs. 168 each on 09.12.2019.

Utilisation of Net IPO Proceeds and proceeds from Pre IPO placement for the year ended:

₹ in million

Particulars	For year ended 31-03-2021		For year ended 31-03-2020	
	Pre IPO Placement	IPO	Pre IPO Placement	IPO
Opening Balance	351.77	2,081.00		
Amount Received			1,061.77	2,500.00
Less: Amount paid/invested				
Repayment of Long Term Debt	-	-	381.70	100.00
Purchase of capital goods / Upgradation of Equipments	292.71	866.26	228.30	-
General corporate purposes	-	-	100.00	319.00
Balance amount deposited in Bank	59.06	1,214.74	351.77	2,081.00

45 Revenue (IND AS 115)

a. Revenue from manufacturing and trading activities

The Company is primarily in the Business of manufacture and sale of plastic pipes and fittings. All sales are made at a point in time and revenue from contract with customer are recognised when goods are dispatched and the control over the goods sold are transferred to customers. The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

In compliance with Ind AS 115, discounts and incentives provided to customers are now treated as variable components of consideration and have been recognised as revenue deductions instead of other expenses. Such discount were recognized as deduction from revenue in previous period also.

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹ in million

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
Revenue as per Contract price	21,760.80	17,132.48
Less: Discounts and incentives	1,094.80	855.28
Revenue as per statement of profit and loss	20,666.00	16,277.20

Notes to the Financial Statements

For The Year Ended 31st March, 2021

Contract liability (Advances from Customers):

₹ in million

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
Closing Contract Liability	23.58	48.00

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2021.

b. Revenue from Turn-key Contract

The state of Andhra Pradesh has assigned three Villages (Kandulavaripalle, Venkata Chalam & Aman Charla) to the Company for under-ground Drainage system. The Company recognises revenue to the extent of transaction price allocated to the performance obligation satisfied. The Company measures the progress using the Output method and the satisfaction of performance obligation is measured based on the achievement of milestone as per the terms of contract.

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹ in million

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
Revenue as per Contract price	17.33	36.45
Less: Discounts and incentives	-	-
Revenue as per statement of profit and loss	17.33	36.45

Contract Assets & liability :

₹ in million

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
Closing Contract Asset	8.41	13.57
Closing Contract Liability	-	-

46 The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards or material foreseeable losses on such long-term contracts has been made in the books of accounts.

47 The expenditure related to issue of equity shares of the Company by way of fresh issue amounting to Rs. NIL million for the year ended 31.03.2021 (31.03.2020 Rs 160.39 million) and related to private placement of compulsorily convertible preference shares amounting to Rs.5.75 million for the year ended 31.03.2021 (31.03.2020 Rs 7.47 million) is adjusted towards the securities premium.

48 The Board of Directors of the Company at its meeting held on 12.05.2021 have recommended a final dividend of Rs 2/- per share of face value of Rs 10/- each for the year ended 31.03.2021. The Board of Directors of the Company at its meeting held on 03.11.2020 had declared an interim dividend of Rs 1.5/- per share of face value of Rs 10/- each, which has already been paid by the Company.

49 In view of the unprecedented COVID 19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the company has taken into consideration external and internal information upto the date of approval of these IND AS financial statements. The Company has assessed its liquidity, assets, capital & financial resources, profitability, internal financial reporting and has concluded that there has been no material impact to its operations or its financial position.

50 The Company's pending litigations comprise of claims by or against the Company primarily by the workers/employees/customers/suppliers etc., and proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where Provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and appropriate disclosure for contingent liabilities is given in Note No 34.

Notes to the Financial Statements

For The Year Ended 31st March, 2021

51 Corporate Social Responsibility:

₹ in million

Sr. No	Particulars	For the year ended 31-03-2021	For the year ended 31-03-2020
1	Gross amount to be spent by the company*	21.20	20.89
2	Amount spent during the year	25.80	10.00
3	Excess amount spent for the financial year [(2)-(1)]	4.60	-
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-	-
5	Amount available for set off in succeeding financial years [(3)-(4)]	4.60	-

* The amount required to be spent under section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

52 Figures of previous years have been regrouped and re-arranged wherever necessary.

As per our attached report on even date

For Khimji Kunverji & Co LLP

Chartered Accountants
FRN: 105146W/ W100621

Kamlesh R. Jagetia

Partner
Membership No.:139585

Place: Mumbai
Date : 12.05.2021

For and on behalf of the Board of Directors

Jayant S. Chheda
Managing Director
(DIN No : 00013206)

Shyam K. Sharda
Chief Financial Officer

Place: Mumbai
Date: 12.05.2021

Parag J. Chheda
Director
(DIN No : 00013222)

Shailesh Bhaskar
Company Secretary



PRINCE PIPES AND FITTINGS LIMITED

CIN NO: L26932GA1987PLC006287

Registered Office: Plot No. 1, Honda Industrial Estate, Phase II, Honda Sattari Honda, Goa – 403 530

Corporate Office: 8th Floor, The Ruby, Senapati Bapat Marg, Dadar West, Mumbai – 400 28

Website: www.princepipes.com; **E-mail Id:** investor@princepipes.com

Tel: 022 – 6602 2222 6666; **Fax:** 022- 6602 2220

Notice of the 34th Annual General Meeting

NOTICE is hereby given that the Thirty Fourth (34th) Annual General Meeting ("AGM") of the members of Prince Pipes and Fittings Limited will be held on Wednesday, September 15, 2021 at 11.30 a.m. IST. through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jayant Chheda (DIN: 00013206) who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare final dividend on Equity Shares for the Financial Year ended March 31, 2021 and to confirm payment of Interim dividend on Equity Shares declared by the Board of Directors of the Company.
4. To appoint Statutory Auditors and authorise Board of Directors to fix remuneration of M/s. N.A. Shah Associates LLP., Chartered Accountant, (Firm Registration Number: 116560W/W100149) for a term of five consecutive years and in this regards to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 read with the rules made thereunder, M/s.N.A.Shah Associates LLP., Chartered Accountant, (Firm Registration Number: 116560W/W100149), who have confirmed their eligibility for appointment, be and is hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years i.e., from conclusion of the 34th Annual General Meeting up to the conclusion of 39th Annual General Meeting of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 142 and other applicable provisions, if any, of the Companies Act, 2013 including any modification(s) or amendment thereof, the Board of Directors of the Company be and is hereby authorised to decide and fix the remuneration of M/s. N.A.Shah Associates LLP., Chartered Accountant, (Firm Registration Number: 116560W/W100149) as Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things, necessary and expedient to give effect to the resolution."

SPECIAL BUSINESS:

5. To ratify the remuneration payable to Cost Auditors and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactments thereof for the time being in force), Ketki D. Visariya , Cost Accountant (Fellow Membership No. (16028), appointed as Cost Auditor by the Board of Directors of the Company to conduct the Audit of the Cost records of the Company for the financial year ending on March 31, 2022, be paid a remuneration of Rs. 3,30,000/- (Rupees Three Lakhs Thirty Thousand Only) per annum plus reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

RESOLVED FURTHER THAT any director or Company Secretary 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."

6. Increase in the remuneration payable to Mrs. Heena Chheda being related party, holding office or place of profit in the Company and in this regard to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to Mrs. Heena Chheda, Related party, to hold an office or place of profit in the Company and increase in her remuneration by 25% p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 5,50,000 Per Month) for

a period of three years effective from October 01, 2021 to September 30, 2024 in accordance with the provisions of the Act as may be agreed to between the Board of Directors and Mrs. Heena Chheda.

RESOLVED FURTHER THAT the Board of Directors and / or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubts that may arise and to do all such acts, deeds and things as may be necessary, usual, proper or expedient in this regard."

7. Increase in the remuneration payable to Mr. Nihar Chheda being related party, holding office or place of profit in the Company and in this regard to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board

and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to Mr. Nihar Chheda, Related party, to hold an office or place of profit in the Company and increase in his remuneration by 35% p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 3,91,707 Per Month) for a period of three years effective from October 01, 2021 to September 30, 2024 in accordance with the provisions of the Act as may be agreed to between the Board of Directors and Mr. Nihar Chheda.

RESOLVED FURTHER THAT the Board of Directors and / or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubts that may arise and to do all such acts, deeds and things as may be necessary, usual, proper or expedient in this regard."

By Order of the Board of Directors
For Prince Pipes and Fittings Limited

Sd/-
Jayant Chheda
Chairman and Managing Director

Place: Mumbai

Date: August 05, 2021

Registered Office: Plot No. 1, Honda Industrial Estate,

Phase II, Honda Sattari Honda, Goa – 403 530

Corporate Office: 8th Floor, The Ruby, Senapati Bapat Marg (Tulsi Pipe Road),

Dadar West, Mumbai 400 028

Email: investor@princepipes.com

Website: www.princepipes.com

IMPORTANT NOTES:

1. In view of the continuing Covid-19 pandemic and social distancing norm, the Ministry of Corporate Affairs ("MCA") has vide it's circular dated April 8, 2020 and April 13, 2020, May 5, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, Dated January 15, 2021 (referred to as "SEBI Circular") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Ordinary Business and Special Business at Item No. 4,5, 6 and 7 of the above Notice is annexed hereto.
4. The Company has engaged the services of National Securities Depository Limited (NSDL), to provide video conferencing facility and e-voting facility for the AGM.
5. Members may join the 34th AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from 11:00 a.m. IST i.e. 30 minutes before the time scheduled to start the 34th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 34th AGM.
6. Register of Members and the Share transfer books of the Company will remain closed from Thursday, September 09, 2021 to Wednesday September 15, 2021(both days inclusive) for the purpose of Annual General Meeting and Dividend.
7. The Dividend, if declared, will be payable to those Equity Shareholders whose names stand on the Register of Members as at the close of business on Wednesday, September 08, 2021, and in respect of shares held in the electronic form, the dividend will be payable to the beneficial owners as at the close of business on Wednesday, September 08, 2021 as per details furnished by the Depositories for this purpose.
8. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with Link in time India Private Limited, Registrar & Share Transfer Agents (in case of shares held in physical mode) and DPs (in case of shares held in demat mode).
9. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to investor@princepipes.com latest by Wednesday, September 08, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
10. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to investor@princepipes.com latest by Wednesday, September 08, 2021.
11. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants/Demand Drafts as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of/ change in such bank details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depository Participants.
12. SEBI Regulations has mandated Companies to credit the dividends electronically to the Members' bank account. Members who hold shares in dematerialized form should inform their Depository Participant's (DP) as well as to the Company and such Members holding shares in physical form should inform the Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details if required.

10. Members are requested to notify change in address, if any, immediately to Link In time India Private Limited, Registrar & Share Transfer Agents, quoting their folio numbers.
11. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Shareholders / Depositories for depositing of dividends.
13. Attendance of the Members participating in the 34th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 34th AGM and facility for those Members participating in the 34th AGM to cast vote through e-Voting system during the 34th AGM.
15. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the "EVEN " of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
16. For convenience of the Members and proper conduct of AGM, Members can login and join at least 30 (thirty) minutes before the time scheduled for the AGM by following the procedure mentioned in the Notice and shall be kept open throughout the proceedings of AGM. 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.
17. Members who need assistance before or during the AGM with use of technology, can send a request at evoting@nsdl.co.in or use Toll free no.: 1800 1020 990 /1800 224 430.
18. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
19. 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.

HELPDESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE FOR ANY TECHNICAL ISSUES REALTING TO LOGIN THROUGH DEPOSITORIES i.e. NSDL AND CDSL

20. Contact Details

Login type	Helpdesk details
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
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 or 022-23058542-43

VOTING THROUGH ELECTRONIC MEANS

21. 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), read with MCA Circulars and SEBI Circular, Company is providing facility of remote e-voting to its Members to cast their vote electronically, through the E-voting services provided by NSDL on all the resolutions set forth in this Notice. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
22. The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary (CP No. 1798), Proprietor of M/s. Sanjay Dholakia & Associates as the Scrutinizer to scrutinize the e-voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.
23. The Members who have cast their vote by remote E-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.

Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
24. 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 i.e. Wednesday, September 08, 2021.
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 evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote E-voting then he/she can use his/her existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User

Reset Password?" option available on www.evoting.nsdl.com.

26. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the E-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
27. In case of any queries relating to E-voting you may refer to the FAQs for Shareholders and E-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

In case of any grievances connected with facility for E-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Email: evoting@nsdl.co.in, Tel: 91 22 2499 4545/ 1800-222-990.

Instructions for members for remote evoting are as under: -

28. The remote e-voting period will commence on Sunday, September 12, 2021 at 09:00A.M. IST and ends on Tuesday, September 14, 2021 at 05:00P.M. IST. During this period, Members of the Company, holding shares as on the cut-off date of September 08, 2021, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
29. The details of the process and manner for remote E-voting using NSDL e-Voting system are explained herein below:

Step 1: Access to NSDL e-Voting system.

- a) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="488 485 1490 772">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.nsd.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 options available against company name or e-Voting service provider - NSDL and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting <li data-bbox="488 800 1490 884">2. If the user is not registered for IDeAS e-Services, option to register is available at https:// eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/ SecureWeb/IdeasDirectReg.jsp <li data-bbox="488 911 1490 1192">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https:// www.evoting.nsd.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 digits 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL 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 with CDSL	<ol style="list-style-type: none"> <li data-bbox="488 1205 1490 1318">1. Existing users who have opted for Easi/ Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi. <li data-bbox="488 1346 1490 1402">2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. <li data-bbox="488 1430 1490 1486">3. If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/ Registration/EasiRegistration <li data-bbox="488 1514 1490 1654">4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p data-bbox="488 1667 1490 1860">You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- b) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
- b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
 3. Now you are ready for e-Voting as the Voting page opens.
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
30. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:
- 1) In case shares are held in physical mode please provide 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 investor@princepipes.com.
 - 2) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@princepipes.com.
31. Instructions for Members for e-voting during the 34th AGM are as under:
- a) Members may follow the procedure for e-Voting during the 34th AGM as mentioned above for remote e-voting.
 - b) Only those Members who will be present in the 34th 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 in the EGM/AGM.
 - c) Members who have voted through Remote e-Voting will be eligible to attend the 34th AGM. However, they will not be eligible to vote at the AGM.
 - d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the 34th AGM shall be the same person mentioned for Remote e-voting.
32. Instruction for Members for Participating in the 34th AGM through VC/OAVM are as under:
- a) Member will be provided with a facility to attend the 34th AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
 - b) Members are encouraged to join the Meeting through Laptops for better experience.
 - c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - d) 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.

- e) Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 34th AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address at investor@princepipes.com at least 7 days before AGM. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- f) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor@princepipes.cm from Thursday, September 09, 2021 (9:00 A.M. IST) to Saturday, September 11, 2021 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

33. Other Guidelines for shareholders

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjayrd65@gmail.com with a copy marked to evoting@nsdl.co.in.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. or contact Mr. Amit Vishal, Senior Manager or Ms Pallavi Mhatre Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email IDs: evoting@nsdl.co.in or AmitV@nsdl.co.in or pallavid@nsdl.co.in or at telephone nos. : +91-22-24994360 or +91-99202 64780 or +91-22-24994545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company's email address investor@princepipes.com.
- d) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 09, 2021 to Wednesday, September 15, 2021 (both days inclusive).
- e) Mr. Sanjay Dholakia , Practicing Company Secretary (CPNo. 1798), Proprietor of M/s. Sanjay Dholakia & Associates has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
- f) During the 34th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 34th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 34th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 34th AGM.
- g) The Scrutinizer shall after the conclusion of e-Voting at the 34th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 34th AGM, who shall then countersign and declare the result of the voting forthwith.
- h) The Results declared along with the report of the Scrutinizer shall be placed on the website of the

Company at www.princepipes.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

- i) Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 34th AGM and the Annual Report for the year 2020 -21 including therein the Audited Financial Statements for year 2020-21, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 34th AGM and the Annual Report for the year 2020-21 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address investor@princepipes.com

For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

- j) The Register of Directors and Key Managerial Personnel and their shareholding maintained under

section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection. In electronic mode.

- k) The Notice of the 34th AGM and the Annual Report for the year 2020-21 including therein the Audited Financial Statements for the year 2020-21, will be available on the website of the Company at www.princepipes.com and the website of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The Notice of 34th AGM will also be available on the website of NSDL at www.evoting.nsdl.com.
- l) Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- m) Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form should inform their Depository Participant their PAN details along with proof thereof.
- n) In case of joint holders attending the Annual General Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item no.4

Pursuant to the provision of Section 139 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s. Khimji Kunverji & Co. LLP, Chartered Accountants (ICAI Firm Registration No: 105146W) was re-appointed as Statutory Auditors of the Company, for a term of 2 (two) consecutive years, at 32nd Annual General Meeting of the Company held on September 27, 2019. M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, the existing statutory auditors of the Company, holds office till the conclusion of the ensuing 34th Annual General Meeting of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on August 05, 2021, has recommended the appointment of M/s.N.A.Shah Associates LLP, Chartered Accountants (ICAI Firm Registration No: 116560W/W100149) as the statutory auditors of the Company in their place, for a term of five consecutive years, from the conclusion of the 34th Annual General Meeting of the Company scheduled to be held in the year 2021 till the conclusion of the 39th Annual General Meeting to be held in the year 2026, for approval of shareholders of the Company.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- A. Proposed fees payable to the statutory auditor(s): Rs. 28,00,000/- plus applicable taxes and reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit of accounts of the Company for financial year 2021-22.
- B. Terms of appointment: Appointment as Statutory Auditors of the Company from conclusion of 34th AGM up to conclusion of 39th AGM to carry out Audit of the Financial Statements and Annual Financial Results of the Company and Limited Review of the Unaudited Quarterly Financial Results of the Company. All other terms of appointment shall be as per Letter of Engagement.
- C. In case of a new auditor, any material change in the fees payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: NIL
- D. Basis of recommendation for appointment: The Committee considered various parameters like capability to serve a

diverse and complex business landscape as that of the Company, market standing of the firm, clientele served, technical Knowledge, governance & competitiveness etc., and found M/s.N.A.Shah Associates LLP, Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

- E. Credentials of the Statutory Auditors proposed to be appointed: M/s.N.A.Shah Associates LLP is a firm of Chartered Accountants with service offerings in the key areas of Audit & Assurance, Direct Tax, Indirect Tax and Business Advisory. It has a team of 14 partners (combined experience of 400 man years), around 100 professionals and total team size of 250 people. It is peer review compliance since inception. It has its registered office situated at B 41-45, Paragon Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 013.

As per the requirement of the Companies Act, 2013 (the 'Act), as amended, M/s.N.A.Shah Associates LLP, Chartered Accountants, have given their consent to act as the Statutory Auditors of the Company and confirmed that the appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act and it is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the Section 139 and 141 of the Act and the rules made thereunder.

Pursuant to the Regulation 33(1) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors have confirmed that they are subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, whether financially or otherwise, concerned or interested, in the resolution set out at Item No. 4 of the Notice.

The Board of Directors recommends the resolution set out in Item No. 04 to be passed as an Ordinary Resolution."

Item no.5

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year ending March 31, 2022 as per the following details:

Sr. No.	Name of the Auditor	Industry	Fees
1	Ketki D. Visariya	Plastic Products	Rs. 3,30,000/- excluding travelling and other out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022 by passing an Ordinary Resolution as set out at Item No. 05 of the Notice.

The Board of Directors recommends the resolution set out in Item No. 05 to be passed as an Ordinary Resolution.

Item no.6

Mrs. Heena Chheda, aged 50 years, is Vice President- Finance of the Company and has been associated with the Company since 2009.

Mrs. Heena Chheda is a related party within the definition of Section 2(76) of the Companies Act 2013 ("Act"), as she is relative of Director(s) of the Company. Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), appointment of any related party to any office or place of profit in the Company, its Subsidiary Company or Associate Company at a monthly remuneration exceeding Rs. 250,000/- requires prior approval by way of ordinary resolution of the Company. In view of the aforementioned provisions of the Act and rules made thereunder and that monthly remuneration of Mrs. Heena Chheda would be in excess of Rs. 2,50,000/- per month, approval of Members is sought for her appointment in and payment of remuneration to her by the Company as proposed in the resolution under this item of business.

Pursuant to recommendation of the Nomination and Remuneration Committee, Audit committee, provisions of Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Act") (including any statutory modification(s) or re-enactments thereof for the time being in force) and in order to adequately compensate the Mrs. Heena Chheda and taking into account the size and operations of the business of the Company, the board of directors of the company at its Meeting held on August 05, 2021, has approved for increase

in remuneration payable to Mrs. Heena Chheda by 25% p.a. over and above last salary drawn of (presently last salary drawn is Rs. 5,50,000 Per Month) for a period of three years effective from October 01, 2021 to September 30, 2024 (This is being partial modification w.r.t. duration of earlier appointment period and amount of remuneration payable). The Details of salary and other terms and conditions of salary payable from the Company are given below:

The requisite disclosures required under the applicable provisions of the Companies Act, 2013 are as follows:

Name of the Related Party: Mrs. Heena Chheda

Name of Directors or Key Managerial Personnel who is related: Mr. Jayant Chheda, Managing Director and Mr. Parag Chheda, Whole-Time Director.

Nature of Relationship: Mrs. Heena Chheda is Son's wife of Mr. Jayant Chheda, Managing Director. Mrs. Heena Chheda is wife of Mr. Parag Chheda, Whole-Time Director of the Company. In addition, Mr. Vipul Chheda Whole-Time Director is related to Mr. Jayant Chheda and Mr. Parag Chheda

Material terms of the contract / arrangement / transactions: As mentioned in Explanatory Statement No. 6

Monetary value and period of approval: As mentioned in Explanatory Statement No. 6

Profile of Mrs. Heena Parag Chheda-Vice President – Finance and Accounts

She has been employed with our Company since 2009. She was on the Board of the Company from October 01, 2016 till November 28, 2020. She holds a bachelor's degree in commerce from the University of Bombay. She has more than 15 years of experience in the piping industry.

The Board recommends the resolution set out at Item No. 6 to be passed as an Ordinary Resolution.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution, except as mentioned above

Item no.7

Mr. Nihar Chheda, aged 24 years, is Vice President Strategy of the Company and has been associated with the Company since 2019.

Mr. Nihar Chheda is a related party within the definition of Section 2(76) of the Companies Act 2013 ("Act"), as he is relative of

Director(s) of the Company. Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), appointment of any related party to any office or place of profit in the Company, its Subsidiary Company or Associate Company at a monthly remuneration exceeding Rs. 250,000/- requires prior approval by way of ordinary resolution of the Company. In view of the aforementioned provisions of the Act and rules made thereunder and that monthly remuneration of Mr. Nihar Chheda would be in excess of Rs. 2,50,000/- per month, approval of Members is sought for his appointment in and payment of remuneration to him by the Company as proposed in the resolution under this item of business.

Pursuant to recommendation of the Nomination and Remuneration Committee, Audit committee, provisions of Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Act") (including any statutory modification(s) or re-enactments thereof for the time being in force) and in order to adequately compensate the Mr. Nihar Chheda and taking into account the size and operations of the business of the Company, the board of directors of the company at its Meeting held on August 05, 2021, has approved for increase in remuneration payable to Mr. Nihar Chheda by 35% p.a. every year over and above last salary drawn of (presently last salary drawn is Rs. 3,91,707 Per Month) for a period of three years effective from October 01, 2021 to September 30, 2024 (This is being partial modification w.r.t. duration of earlier appointment period and amount of remuneration payable). The Details of salary and other terms and conditions of salary payable from the Company are given below:

The requisite disclosures required under the applicable provisions of the Companies Act, 2013 are as follows:

Place: Mumbai

Date: August 05, 2021

Registered Office: Plot No. 1, Honda Industrial Estate,
Phase II, Honda Sattari Honda, Goa – 403 530

Corporate Office: 8th Floor, The Ruby, Senapati Bapat Marg (Tulsi Pipe Road),
Dadar West, Mumbai 400 028

Email: investor@princepipes.com

Website: www.princepipes.com

Name of the Related Party: Mr. Nihar Chheda

Name of Directors or Key Managerial Personnel who is related: Mr. Jayant Chheda, Managing Director and Mr. Parag Chheda, Whole-Time Director

Nature of Relationship: Mr. Nihar Chheda is grandson of Mr. Jayant Chheda, Managing Director, Son of Mr. Parag Chheda, Whole-Time Director of the Company. In addition, Mr. Vipul Chheda is related to Mr. Jayant Chheda and Mr Parag Chheda Whole-Time Director.

Material terms of the contract / arrangement / transactions: As mentioned in Explanatory Statement No. 7

Monetary value and period of approval: As mentioned in Explanatory Statement No. 7

Profile of Mr. Nihar Chheda-VP Strategy:

Mr. Nihar Chheda is the Vice President, Strategy at Prince Pipes and Fittings Limited. Nihar has been actively involved in growing the business since the IPO, engaging with key stake holders. He works closely with the team focusing on expanding the pan India distribution network to build a base of quality distributors with strong relationships with the company, well aligned to the company's long term vision. He is also responsible in anchoring the company's raw materials procurement strategy that has illustrated encouraging results by driving cost efficiencies. Nihar is a graduate in Industrial Engineering from Purdue University USA.

The Board recommends the resolution set out at Item No. 7 to be passed as an Ordinary Resolution.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution, except as mentioned above.

By Order of the Board of Directors
For Prince Pipes and Fittings Limited

Sd/-
Jayant Chheda
Chairman and Managing Director

ANNEXURE TO ITEM NO. 03 OF THE AGM NOTICE

DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/ RE-APPOINTMENT AT ANNUAL GENERAL MEETING

DIN	00013206
Date of Birth	31-07-1946
Nationality	Indian
Date of Appointment / Re- appointment on the Board	13/11/1987
Qualifications	Senior Secondary Certificate Examination
Expertise in specific functional area	Mr. Jayant Chheda, aged 75 years, is the Promoter, Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director. He has an extensive industry knowledge and over four decades of experience in the plastic industry. He has expertise in Procurement of Raw Materials, Accounts/Finance
Remuneration last drawn	₹ 14,40,000/- per month plus performance based incentives and other perquisites as applicable as approved by members in 33rd AGM held on September 23, 2020.
Remuneration proposed to be paid	As approved by members in 33rd AGM held on September 23, 2020.
Number of shares held in the Company	65,56,405 (5.96%)
Terms and Conditions of Appointment / Re- appointment	As approved by members in 33rd AGM held on September 23, 2020.
List of the directorships held in other companies*	-
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Prince Pipes and Fittings Limited:
Member	Nil
Numbers of Board Meeting attended	04
Relationship with other Directors / Key Managerial Personnel/ Managers	Relative (father) of Mr. Parag Chheda and Mr. Vipul Chheda

*Directorship includes Directorship of Listed Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).



PRINCE PIPES AND FITTINGS LIMITED

Registered Office

Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari
Honda, Goa-403 530, India

Corporate Office

The Ruby, 8th Floor, 29, Senapati Bapat Marg (Tulsi Pipe Road), Dadar West,
Mumbai-400 028, Maharashtra, India

CIN: L26932GA1987PLC006287

Website: www.princepipes.com

Follow Us:

