



# PROUD TO SERVE THE NEW INDIA

INFRASTRUCTURE



REAL ESTATE



AGRICULTURE



ANNUAL  
REPORT  
2024

INDUSTRIALISATION



TRANSPORTATION





# PROUD TO SERVE THE NEW INDIA

India's rapid infrastructure development is transforming the nation's urban and rural landscapes.

As one of the country's leading integrated pipe manufacturers, Prince Pipes is proud to contribute to this vital sector. Our products are meticulously designed, precision engineered and rigorously tested to support advanced infrastructure needs.

In India's cities and towns, our solutions ensure efficient water management and distribution, contributing to the seamless functioning of urban ecosystems.

In India's rural heartlands, Prince Pipes offers reliable piping solutions for irrigation and water supply projects. Creating easy access to clean and safe water in remote areas.

Prince Pipes' innovative solutions are pivotal in driving infrastructure growth. Our commitment to excellence and reliability drives us to play a vital role in creating the New India of our dreams!



Jaipur est. 2019



Sangareddy est. 2021



Chennai est. 2012



Kolhapur est. 2012



Dadra est. 2000



Haridwar est. 2008



Athal est. 1995

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# CORPORATE INFORMATION

## Board of Directors

Mr. Jayant Chheda  
Chairman and Managing Director

Mr. Parag Chheda  
Joint Managing Director

Mr. Vipul Chheda  
Executive Director

Mr. Rajendra Gogri  
Independent Director

Mrs. Amisha Vora  
Independent Director

Mr. Dilip Deshpande  
Independent Director  
(Resigned w.e.f. May 18, 2024)

Mr. Ankur Bansal  
(Appointed w.e.f. May 16, 2024)

Mr. Ramesh Chandak  
Independent Director  
(Tenure up to September 15, 2023)

Mrs. Uma Mandavgane  
Independent Director  
(Tenure up to September 15, 2023)

## Chief Financial Officer

Mr. Anand Gupta  
(Appointed w.e.f. November 07, 2023)

Mr. Shyam Sharda  
(Resigned w.e.f. October 04, 2023)

## Company Secretary and Compliance Officer

Mr. Shailesh Bhaskar

## Statutory Auditors

M/s. N.A. Shah Associates LLP,  
Chartered Accountants

## Internal Auditors

M/s. Mahajan & Aibara, LLP  
Chartered Accountants

## Secretarial Auditors

M/s. Sanjay Dholakia & Associates,  
Company Secretaries

## Bankers

ICICI Bank Limited  
Standard Chartered Bank  
DBS Bank India Limited  
The Federal Bank Limited  
Axis Bank Limited  
Qatar National Bank  
HDFC Bank Limited

## Registrars & Share Transfer Agents

Link Intime India Private Limited  
C-101, 1<sup>st</sup> 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

8<sup>th</sup> Floor, The Ruby, Senapati Bapat Marg (Tulsi Pipe Road), Dadar West, Mumbai 400 028.  
Tel: 022-66022222.  
W: www.princepipes.com  
E: investor@princepipes.com

## Audit Committee

Mrs. Amisha Vora, Chairman  
Mr. Parag Chheda  
Mr. Rajendra Gogri  
Mr. Ankur Bansal

## Nomination and Remuneration Committee

Mr. Rajendra Gogri, Chairman  
Mrs. Amisha Vora  
Mr. Ankur Bansal

## Corporate Social Responsibility Committee

Mr. Jayant Chheda, Chairman  
Mr. Parag Chheda  
Mrs. Amisha Vora  
Mr. Ankur Bansal

## Stakeholders' Relationship Committee

Mr. Ankur Bansal, Chairman  
Mr. Parag Chheda  
Mr. Vipul Chheda

## Risk Management Committee

Mr. Ankur Bansal, Chairman  
Mr. Parag Chheda  
Mrs. Amisha Vora  
Mr. Anand Gupta

# COMPANY AT A GLANCE

Our company is one of India's largest integrated providers of piping solutions, water tanks, and bathware, marketing its products under three renowned brands - Prince, Tubore, and Aquel.



Total installed capacity-  
Approx 3, 38, 959  
MTPA



10 warehouses -  
for efficient  
supply &  
timely service



Pan India  
distribution  
1,500+ channel  
partners



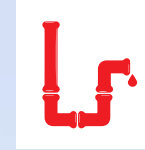
Strategically  
located  
7 manufacturing  
plants



First mover in  
north India



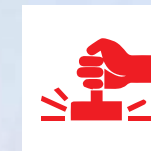
Market Cap of  
₹6073 Cr.  
(As on Mar  
31<sup>st</sup>, 2024)



Largest range  
of SKUs -  
7,200+ SKUs



Amongst top 5  
Processors in  
piping  
industry



Incorporated  
in 1987



Comprehensive  
product portfolio  
across polymers



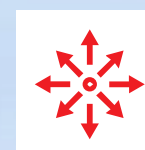
Strong legacy  
of more than  
3 decades



1913  
Employees



Technical  
collaboration  
with reputed  
international  
players



Diverse  
end-use  
applications

# COMPANY HIGHLIGHTS OF 2023-24



Prince Udaan Loyalty Program is awarded for Best Creative Campaign and Communications in loyalty



Our Athal Plant won the IMEXI Commitment Prize for Operational Excellence



Our Dadra Plant is awarded with IMEA's Silver Certificate of Merit



The Haridwar plant achieved Greenhouse Gas Emission Certification as per ISO 14064-3:2019 (Scope-1, 2 & 3) from DQS India

# PRODUCT LAUNCHES



**STOREFIT**  
Paani Ka Bank  
WATER TANK



**DURATAP**  
PTMT TAPWARE



**TERRAFIT**  
SUB-SURFACE DRAINAGE



**GREENFIT**® PP-R  
PP-R PLUMBING & INDUSTRIAL  
HVAC PIPING SYSTEM



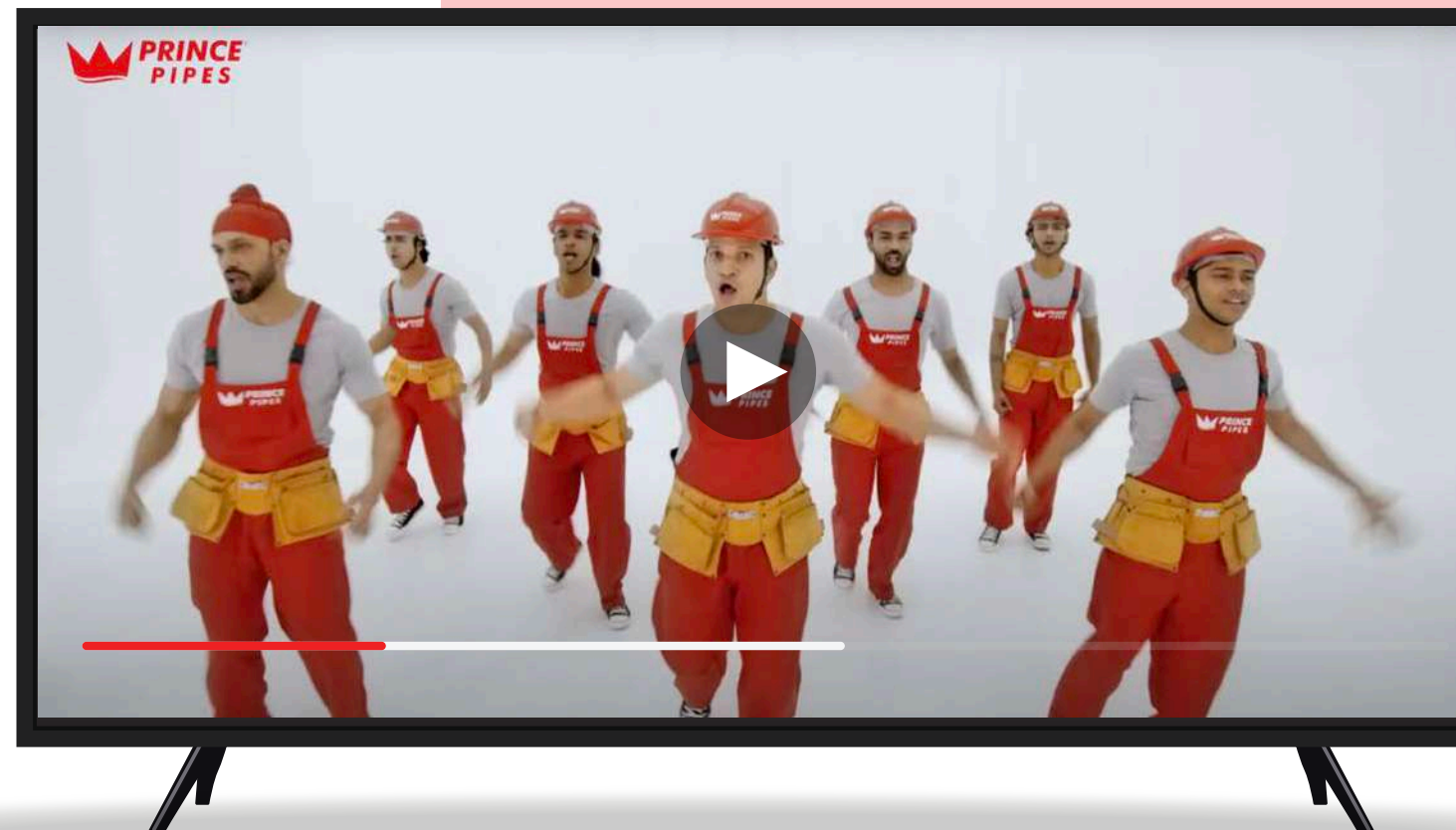
**Aquel**  
By **PRINCE**  
BATHWARE



# MARKETING INITIATIVES

Water conservation is one of the biggest issues facing humanity. And plumbers are the superheroes protecting our water systems. Plumber Song 2.0 is the second installment in our series celebrating plumbers. Following on the blockbuster first edition, the dynamic new track features engaging lyrics that highlight the crucial role plumbers play in ensuring the proper functioning of our water infrastructure. It honours their expertise in fixing leaks and maintaining piping systems, while also promoting awareness about water conservation. The upbeat rhythms, skilful choreography and eye catching video have come together to create a viral sensation, especially amongst the plumber community.

LAUNCH OF  
NEW PLUMBER SONG 2.0



## MARKETING INITIATIVES

## MOVIE COLLABORATION



**OMG 2** Prince Pipes is proud to be associated with superhit OMG2 as its co-branding sponsor. The Prince Selfie Contest saw an overwhelming response on social media. Winners got to see the movie, with our compliments.



**KHICHDI 2** The Khichdi 2 association was enhanced by the "Leakage ka Muh Tod Jawab" campaign, featuring in-cinema and RWA activations. This campaign was extensively amplified on digital platforms. Engaging videos from an array of influencers helped to amplify the message.

**PAANI KE PEHREDAAR**  
HIT AT HOLI PARTIES!



Our plumber song 2.0 was played at Holi parties, adding more zing to the celebrations, while conveying the need to use water responsibly.

**PLUMBERS HEALTH**  
OUR CONCERN



Plumbers are an important part of Prince Parivaar, we organized a free health camp for plumbers in association with Thyrocare - after all prevention is better than cure.

**ON GROUND**  
**ACTIVATION**

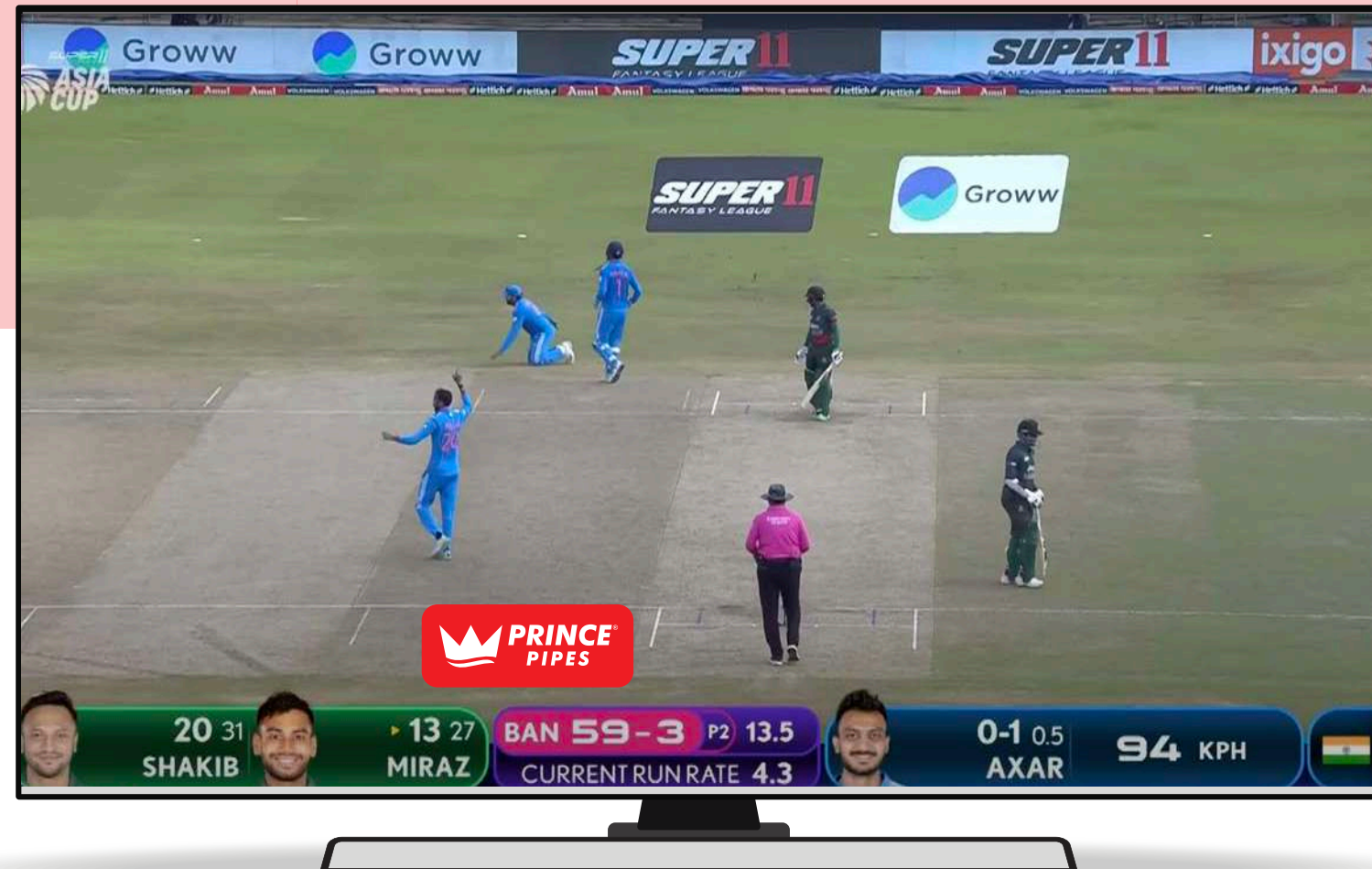


***A peacock demonstrates  
our pipes' versatility***

A bold art installation created with our pipes, the peacock embodies the spirit of new India – confident, powerful and unmissable. This innovative display showcased our extensive range of plumbing and brought our spirit of innovation to life!



Prince Pipes branding is prominently displayed on both Star Sports and Disney+ Hotstar platforms whenever a boundary (four runs) is scored during a cricket match. This strategic placement ensures maximum visibility and association with exciting moments in the game.



## L-BAND BRANDING



Whether it's a historic celebration or a crucial announcement, the integration of Prince Pipes' L-Band branding seamlessly connects the brand with moments of national pride and importance, making it a trusted name across the country.

INTERNATIONAL  
YOGA DAY WITH  
AISHWARYA NARKAR



Prince Pipes teamed up with yoga expert Aishwarya Narkar for a digital campaign: #YogaSeHoga Contest. The enthusiastic response drove home the true spirit of yoga amongst the digital Prince Parivaar!

UNFURLING ATMANIRBHARTA  
ON INDEPENDENCE DAY



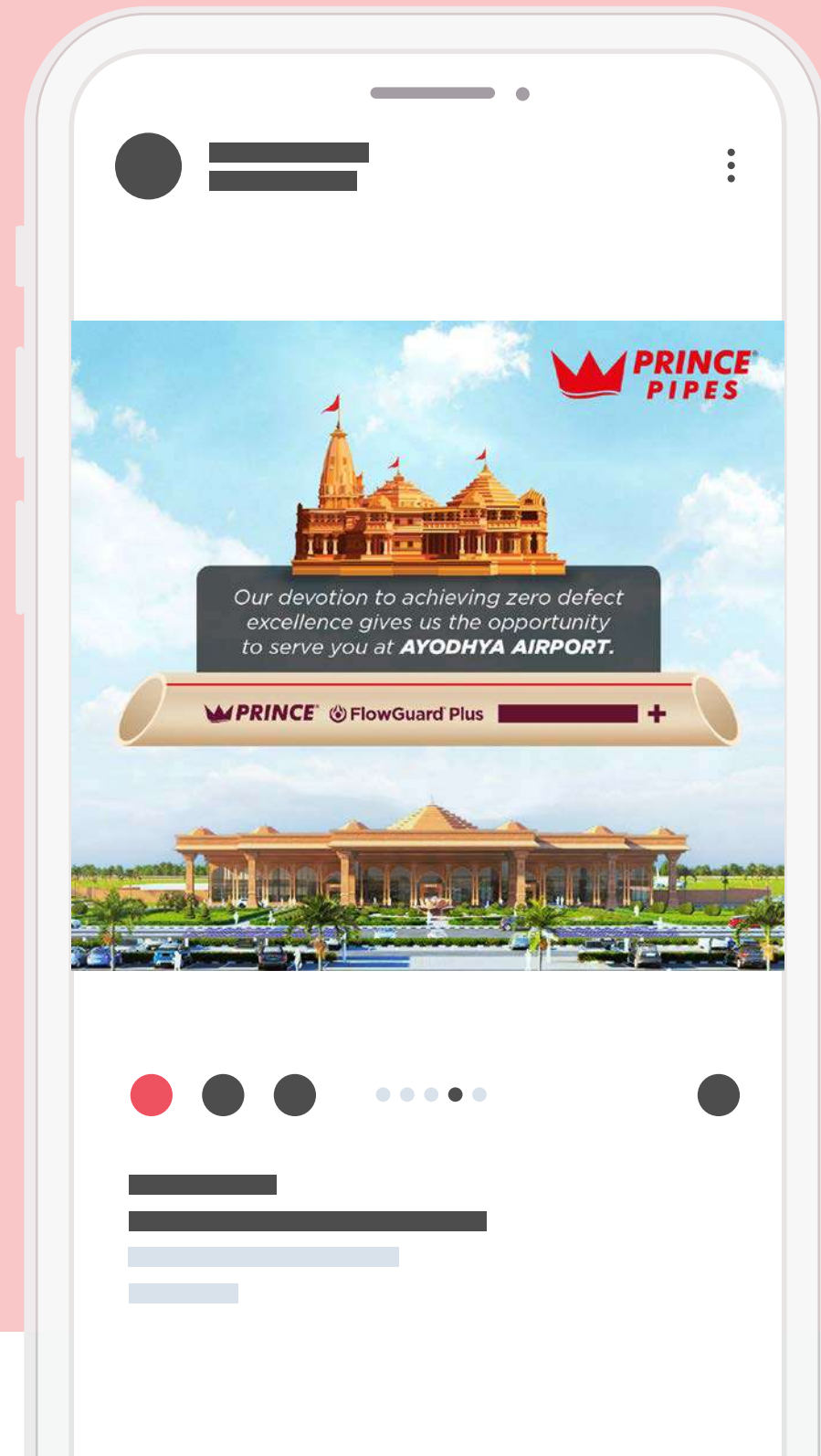
Prince Pipes believes in 'Atmanirbhar Bharat'. We are made in India, and committed to making India! On Independence Day, we celebrated India with a musical tribute, where our pipes provided the percussion!



DEVOTED TO  
INDIA AT AYODHYA



Ayodhya's Ram Janmbhoomi temple is a landmark for the ages. Prince Pipes is privileged to contribute to this monumental effort. Over 10 kilometres of Prince Flowguard Plus have been installed at the Ayodhya International Airport, serving flyers and pilgrims. Jai Shree Ram!



**NAVRATRI:  
DANDIYA EXPRESS**



On Navratri, we thought of making the journeys more festive and musical. Hundreds of passengers on the Mumbai-Ahmedabad Shatabdi and Vande Bharat Express were surprised with free dandiya sticks, courtesy of Prince Pipes. Their beaming smiles lit up the festive celebrations.



# Aquel<sup>®</sup>

By **PRINCE**

## PRINCE PIPES ACQUIRES AQUEL: STRENGTHENING OUR COMMITMENT TO INNOVATION AND QUALITY

Prince Pipes and Fittings Limited (PPFL) is pleased to announce the acquisition of Aquel, a renowned name in the water management and piping solutions sector. This strategic acquisition is a significant milestone in Prince Pipes' journey towards expanding its product portfolio, enhancing technological capabilities, and delivering superior value to its customers.



**Bib Cock 2 Way**



**Angle Cock 2 Way**



**Kristal - Basin Sensor**



**Bath and Shower Mixer**  
2 in 1 with Provision for Overhead Shower and Hand Shower



**Alfin**



**Aurum**

# CSR INITIATIVES

In collaboration with Empower Pragati, Prince Pipes has launched a special initiative in Delhi and Solan aimed at enhancing the plumbing skills of professionals. This comprehensive program not only focusses on upskilling plumbers but also ensures they receive essential healthcare services.



LAUNCHED SKILL  
AND HEALTH INITIATIVE FOR  
PLUMBERS IN DELHI



**WATER SUSTAINABILITY IN CHOMU,  
RAJASTHAN**



Aligning efforts with Ambuja Cement Foundation, Prince Pipes has implemented an initiative in Chomu, Rajasthan. This program aims to improve access to safe drinking water, enhance groundwater recharge, and promote efficient water use for both drinking and irrigation purposes.

**WATER ACCESS AND LIVELIHOOD  
IN SANGAREDDY, TELANGANA**



**Mahita Organisation:** Undertaken in Sangareddy, Telangana, this effort was aimed at improving water access & farm livelihood. Efforts were concentrated on enhancing communities' quality of life through water access to farmers, education support for girls, and entrepreneurship skills for women.

COMMUNITY WELL-BEING  
IN JAIPUR AND SANGAREDDY



United Way of Mumbai teaming up with Prince Pipes implemented an initiative in Jaipur and Sangareddy. This effort has significantly enhanced community well-being by improving water access, boosting farm-based livelihoods, facilitating access to government schemes, and promoting ongoing education.

# CHAIRMAN'S MESSAGE



## MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR

### Dear Shareholders,

As we reflect on the past fiscal, I would like to thank all our stakeholders who have made valuable and lasting contributions during this period to Prince Pipes, as well as the Indian building materials industry.

This reporting period has been a unique and exciting phase in the growth trajectory of Prince Pipes as we accomplished two significant milestones. The first is the ongoing construction of our new integrated manufacturing facility in Begusarai, Bihar. This marks Prince Pipes' dynamic expansion in East India – which is a major frontier of growth for us; and the second is Prince Pipes' acquisition of the iconic Bathware brand Aqueel and its state-of-the-art manufacturing facilities, from Klaus Waren Fixtures Private Limited. This was undertaken with the strategic intent of consolidating our presence in the bathware segment to unlock greater value, as we focus on faster expansion and carve out a solid brand identity.

Several strategic initiatives were implemented during the fiscal toward Prince Pipes' long-term goal of strengthening our leadership position in the industry and our vision of bringing continued transformations to India's water infrastructure.

I am happy to share that, Prince Pipes has delivered consistent performance during the 2023-24 financial year that underscores our team's leadership, our strong brand equity, our agile execution, and our adaptability. Our revenues and margins have shown steady momentum across all divisions.

At the start of the fiscal our operations were materially disrupted, as we witnessed numerous ERP transitioning challenges as we upgraded processes, which had an impact on our volumes as well as our product mix and pipe-fitting ratios. As operations stabilized, we were quick to enhance focus on execution as we reported robust volume growth across our segments of plumbing, SWR, agriculture as well as infrastructure.

For the fiscal 2023-24, we achieved a 10% volume expansion, with EBITDA margins rebounding to 12% in the year. This success was driven by our operational assertiveness, efficient supply chain management, cost-effective measures, and a focused marketing strategy. Our resilient mindset allowed us to pursue growth, strengthen our business fundamentals, and implement strategic initiatives. We launched new products and aggressively expanded the new bathware segment, all aimed at propelling our business model forward. Simultaneously, we expanded our distribution network and enhanced brand visibility.

### Robust economic growth potential

India's economic resilience is evident. It has risen to the fifth position as an investment destination for global CEOs, up from the ninth position in 2023. Various reports project that India could become the third-largest economy by 2030, with a projected GDP of USD 7.3 trillion. The underlying economic growth potential hence continues to be robust, as industries including real estate, infrastructure, and agriculture, report strong progression. Key themes of inclusive development, green growth, sanitation, health, and drinking water connections—all aimed at fostering comprehensive economic progress, continue to offer immense growth opportunities to be leveraged.

### Emphasis on execution across verticals and expanding pan-India footprint.

With strong macroeconomic fundamentals in place, we remain committed to sharp execution. We are aggressively focusing on driving volume growth through various efforts aimed at expanding distribution and strengthening our channel network. We continue to build strong engagement with distributors across all product lines and have added new partners across India with a current network of over 1,500 distributors.

Aligned with our vision to expand, our new integrated manufacturing facility at Begusarai in Bihar is well underway. We conducted the ceremonial Bhoomi Pujan in December 2023 to mark the auspicious start of construction, which has already begun and is progressing well. This expansion when complete will be the company's 8th

state-of-art manufacturing plant and will cater to demand in East India, which is a core growth center for the nation and the pipes and fittings industry.

As we progress, we commenced the production of water tanks – which continues to be a fast-growing segment, at our Haridwar plant in Q4 of FY24 and Chennai plant in Q2 of FY25, in addition to the Dadra, Jaipur, and Telangana facilities, we will have five in-house water tank manufacturing locations.

We continued to build more depth into our product portfolio with the launch of several new products through the fiscal and introduced Terrafit-Subsurface drainage pipes and innovative solutions, addressing challenges related to excessive subsurface water, as well as the Duratap range, including faucets and showers. Duratap is manufactured with PTMT material offering great advantages over other materials in terms of functionality and longevity and is aimed at the cost-conscious mass market.

### The bathware segment gathers strong momentum

Our bathware segment is progressing well as we make strong in-roads across key Tier-2 and 3 markets of Northern India including Srinagar, Punjab, Haryana, Delhi, Rajasthan, Uttar Pradesh Gujarat, and the rest of Maharashtra.

As we implement our expansion strategies, Prince Pipes' acquisition of the iconic bathware brand Aqueel and its manufacturing facility in Gujarat, is a significant development for us. This integration of the Aqueel brand creates a robust platform that aligns well strategically and financially - with Prince Pipes' ambitious growth framework, opening up substantial synergies and market prospects across our business segments.

In a fast-transforming market led by changing customer needs, sensibilities, design, style, and preferences, the Aqueel brand has established itself as a key player with its wide range of products and has a prominent identity in Western, Central, and parts of South India. It has built strong brand equity amongst homeowners, interior designers, architects, and builders, which augurs well for us as we expand our bathware presence in the real estate segment, where we already have strong brand equity. Aqueel brings an extensive range of scientifically engineered products encompassing faucets and bathroom accessories. It currently has 9 ranges and 250 SKUs which will be integrated into our existing ranges to have a formidable bathware portfolio at different price points.

The combination of Aqueel's state-of-the-art plant, modern manufacturing processes, and rigorous quality control infrastructure, along with Prince's operational prowess, brings great excitement as we sharpen our execution in this segment. The total built-up area is ~350,000 sq ft or about 8 acres, which could be used for future expansion.

Prince is in the process of building several levers of growth that will give greater play to our expansion strategies to become a stronger, greater, and more resilient enterprise. With this acquisition, the overall addressable market for Prince would be over ~Rs. 60,000 crores spread across Bathware, Pipes, and Water Tanks, as we take definite strides towards our vision of transforming our country's water infrastructure.

With several strategic initiatives in place to bolster Prince Pipes' market share, in-market execution is our key priority. By providing our sales teams with efficient marketing toolkits to optimize revenue growth, we are well-equipped to win in our markets. The focus now is to ensure we execute with excellence wherever we play.

### Creating manufacturing excellence

India continues to bolster its manufacturing sector's competitiveness on a global scale. By adopting best practices, streamlining processes, and fostering innovation, Indian companies are standing out in the international market. Prince Pipes aligns with the same focus. We continue to maintain a strong emphasis on our manufacturing processes and our Dadra plant has been awarded IMEA's, India Manufacturing Excellence Award, Silver Certificate of Merit as part of the Frost & Sullivan India Manufacturing Excellence Awards 2023. As you are

aware, IMEA's assessment framework evaluates organizations on their manufacturing capability, supply chain reliability, and technology adoption. Our Athal plant won the IMEXI Commitment Prize for its continued excellence in operations. This is a premier program that recognizes efforts put into facilitating operational excellence and building a sustainable improvement culture.

### Dedicated to fortifying India's water infrastructure.

India's plastic pipe market holds promising prospects across various sectors, including potable water supply, wastewater management, electrical and telecommunication cable protection, agriculture, chemicals and gas. According to estimates the industry is expected to grow ~10-12% in volume terms over the next 3-5 years considering affordable input prices, revival in the urban real estate cycle, and the government's focus on raising farm income and driving infrastructure development.

The government's proactive approach, backed by various schemes, sets the stage for further development. In this dynamic landscape, Prince Pipes, with its expertise, product range, and pan-India sales network, is well poised to leverage industry opportunities. Capitalizing on synergies and the trusted Prince brand, the company aims to create substantial value for stakeholders. As we move forward, continuous evaluation of trends and opportunities will guide our efforts in strengthening India's water infrastructure.

### Ensuring Sustainable Growth

Our commitment to a sustainable business starts at our manufacturing plants and is integrated across the Company. Safeguarding the environment is an area of priority for us. Evolving our operations to reduce our environmental footprint is enabling us to build a more resilient business for the long term. Reduced water usage, CO2 emissions, and responsible waste management are focus areas where we have taken the right steps to ensure a positive change. We continued to witness growth in Renewable sources of energy by ~20% and CO2 per Kg of production was reduced by 8.4%. Our Haridwar plant achieved Greenhouse Gas Emission Certification as per ISO 14064-3:2019 (Scope-1, 2 & 3) for the year FY-23 from DQS India, reiterating the Company's commitment to ESG goals.

Our sincere efforts to create value in society progressed well as we implemented key initiatives benefitting the industry and larger society including Empower Pragati in Delhi and Solan, a special initiative was created towards plumber upskilling. The aim was to enhance plumbing skills while also providing them with essential healthcare services. We collaborated with Ambuja Cement Foundation in Chomu, Rajasthan, to facilitate access to safe drinking water and augment groundwater recharge while promoting efficient water usage for drinking and irrigation. We also worked with Mahita Organisation in Sangareddy, towards improving water access & farm livelihood.

### Committed to delivering on our ambitions

As we step into a new fiscal, our resolve strengthens, equipping us for the journey ahead. Our purpose remains clear and compelling, unwavering in its direction. Our strategy, rooted in the robustness of our earnings model, stands firm. Delivery and execution now take center stage. In this dynamic landscape, we embrace agility, resilience, and unwavering commitment.

I would like to thank all members of our Prince Parivaar who work tirelessly to ensure that Prince Pipes further strengthens its leadership position in the industry. I also take this opportunity to thank you, our shareholders, for your continued involvement, trust, support, and confidence in Prince Pipes and Fittings Limited.

We look forward to your continued encouragement.

Sincerely,

**Mr. Jayant S. Chheda**  
Chairman and Managing Director

# FINANCIAL HIGHLIGHTS

(₹ in Millions, except as stated otherwise)

| Particulars                                   | FY 24            | FY 23     | FY 22     | FY 21     | FY 20     | FY 19     | FY 18     | FY 17     |
|---|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Revenue from operation                        | <b>25,687.48</b> | 27,108.71 | 26,568.32 | 20,715.17 | 16,356.57 | 15,718.69 | 13,205.45 | 13,300.15 |
| Expenses                                      | <b>22,613.33</b> | 24,605.56 | 22,412.21 | 17,098.84 | 14,068.78 | 13,878.07 | 11,589.64 | 11,800.79 |
| EBITDA  | <b>3,074.15</b>  | 2,503.15  | 4,156.11  | 3,616.33  | 2,287.79  | 1,840.62  | 1,615.81  | 1,499.36  |
| Other Income                                  | <b>160.93</b>    | 85.50     | 54.71     | 175.99    | 69.43     | 71.25     | 60.25     | 24.80     |
| Depreciation                                  | <b>911.67</b>    | 830.11    | 703.07    | 594.17    | 519.78    | 435.72    | 368.93    | 316.69    |
| EBIT  | <b>2,323.41</b>  | 1,758.54  | 3,507.76  | 3,198.15  | 1,837.44  | 1,476.15  | 1,307.13  | 1,207.47  |
| Finance Cost                                  | <b>65.00</b>     | 110.13    | 139.04    | 206.67    | 331.70    | 363.04    | 353.94    | 357.54    |
| Profit before Exceptional Items and Tax       | <b>2,258.41</b>  | 1,648.41  | 3,368.71  | 2,991.48  | 1,505.74  | 1,113.11  | 953.19    | 849.93    |
| Exceptional Item                              | <b>179.27</b>    | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      | 0.00      |
| Profit after Exceptional Items and before Tax | <b>2,437.68</b>  | 1,648.41  | 3,368.71  | 2,991.48  | 1,505.74  | 1,113.11  | 953.19    | 849.93    |
| Tax Expense                                   | <b>612.72</b>    | 434.20    | 874.68    | 773.16    | 380.67    | 291.79    | 218.16    | 198.19    |
| PAT   | <b>1,824.97</b>  | 1,214.21  | 2,494.03  | 2,218.32  | 1,125.07  | 821.32    | 735.03    | 651.74    |
| Equity share Capital                          | <b>1,105.61</b>  | 1,105.61  | 1,105.61  | 1,100.26  | 1,100.26  | 900.16    | 900.16    | 450.08    |
| Net Worth                                     | <b>15,444.03</b> | 13,639.64 | 12,652.69 | 10,434.78 | 8,376.76  | 3,989.13  | 3,159.46  | 2,411.76  |
| Total Debt                                    | <b>1,144.41</b>  | 581.34    | 1,500.00  | 852.20    | 2,597.71  | 2,969.12  | 3,645.91  | 3,219.87  |
| Current Liabilities (including debt)          | <b>5,132.13</b>  | 5,342.84  | 6,487.95  | 5,217.53  | 4,910.86  | 4,904.24  | 4,721.45  | 3,795.87  |
| Net Fixed Assets                              | <b>8,329.28</b>  | 7,041.30  | 6,681.60  | 5,795.31  | 4,961.15  | 4,248.70  | 3,515.03  | 2,855.00  |
| Cash and Cash Equivalent                      | <b>761.37</b>    | 1,214.65  | 316.12    | 84.42     | 0.57      | 88.90     | 2.31      | 27.18     |
| Current Assets                                | <b>12,465.08</b> | 11,976.42 | 12,267.16 | 9,857.19  | 8,447.44  | 5,339.06  | 5,432.45  | 4,641.92  |
| Total Assets                                  | <b>21,232.32</b> | 19,287.47 | 19,390.39 | 16,060.76 | 14,102.12 | 10,338.71 | 9,720.49  | 7,596.20  |
| EPS (₹ per share)                             | <b>16.51*</b>    | 10.98     | 22.62     | 20.16     | 11.77     | 9.12      | 8.17      | 6.90      |
| BVPS (₹ per share)                            | <b>139.69</b>    | 123.37    | 114.44    | 94.84     | 76.13     | 44.32     | 35.10     | 53.59     |

\*Including exceptional items.

# BOARD OF DIRECTORS



**MR. JAYANT CHHEDA**  
Founder, Chairman and Managing Director (CMD)

Mr. Jayant Chheda, aged 78 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director. He has 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 53 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 28 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 49 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 27 years of experience in the piping industry.



**MR. RAJENDRA GOGRI**  
Independent Director

Mr. Rajendra Gogri aged 64 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. DILIP DESHPANDE**  
Independent Director

Mr. Dilip Deshpande, aged 72 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.



**MRS. AMISHA VORA**  
Independent Director

Mrs. Amisha Vora, aged 58 years, is an Independent Director of our Company. She was appointed to our Board on August 10, 2023. She is a Chartered Accountant by qualification and an equity market expert by profession, with an experience spanning over 35 years. She is a member of the CII Capital Markets Committee since last 5 years and a board member of the Association of Portfolio Managers of India (APMI). Mrs. Vora has also won prestigious awards, including the Rashtriya Udyog Ratan Award for Corporate Leadership and Annual Impact Creator Award by the Governor's office & Government of Maharashtra in 2021.



**MR. ANKUR BANSAL**  
Independent Director

Mr. Ankur Bansal, aged 40 years, is an Independent Director of our Company. He was appointed to our Board on May 16, 2024. He is a Chartered Accountant and a Chartered Financial Analyst by qualification. He is the Co-Founder and Director of BlackSoil, an alternative credit platform. His strong investment acumen, relationship with domestic and international private equity and venture capital firms, association with high-pedigree banks and in-depth knowledge of the PE/VC and real estate sectors were the keys behind BlackSoil's success. Under his leadership, Blacksoil has invested over ₹6,000 Cr. across ~200 deals through its multiple Funds and NBFC by creating lending solutions for Growth companies, financial institutions, and real estate developers. Before co-founding BlackSoil, he has worked with J.P. Morgan, Citi and Morgan Stanley.

# MANAGEMENT DISCUSSION AND ANALYSIS

## GLOBAL ECONOMY

The world economy is expected to continue to grow at 3.2% over 2024 and 2025, at a pace similar to 2023 according to a report by IMF. This is a mild acceleration for advanced economies, where growth is expected to increase from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. This will be offset by a slight slowdown in emerging markets and developing economies from 4.3% in 2023 to 4.2% in both 2024 and 2025.

The forecast for global growth five years down the line, at 3.1%, is at its lowest in decades. Worldwide inflation is anticipated to decline gradually, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, as advanced economies come back to their inflation targets sooner than emerging markets and developing economies. The global economy has been remarkably resilient, despite significant central bank interest rate hikes to restore price constancy. The risks to the global outlook are broadly balanced. The downside could be stemming from geopolitical tensions, including the Ukraine war and the conflict in Gaza and Israel, along with persistent core inflation in some markets, which could raise interest rate expectations and put pressure on asset prices.

## INDIAN ECONOMY

The Indian economy grew 8.2% in FY 2024 and averaged 8.3% in the last three financial years. The Reserve Bank of India has projected 7.2% GDP growth for the current financial year. In the financial year 2023-24, the Indian economy contributed 18.5% of global growth which has been a noteworthy achievement. India's current account registered a surplus in the final quarter of the previous financial year, primarily driven by higher services exports. For FY 2024, the current account deficit decreased significantly due to a lower merchandise trade deficit. The current account deficit fell to 0.7% of GDP, or \$23.2 billion, in FY 2024, down from 2% of GDP, or \$67 billion, in FY 2023.

The RBI attributed the main drivers for this growth in the last three years to the various structural reforms and policy initiatives. GST has stabilized much faster than other economies which is reflected in the fact that tax collections reported are Rs. 1.7 lakh crore per month. Additionally, the introduction of the Insolvency and Bankruptcy Code and Flexible Inflation Targeting Framework by way of amendment to the RBI Act in 2016 – have been instrumental in this growth.

## OUTLOOK

India's growth story has been and will continue to be multi-sectoral. The RBI has outlined that as the fifth largest economy, with an expanding population of 1.4 billion, India aspires to become the third largest and an advanced economy by 2047. This can be achieved with multi-sectoral progress. With well-sustained growth, which is set to continue at 7.2% for the current fiscal, India's economic outlook is robust and broad-based to reach its aim of Viksit Bharat by 2047. On investment and consumption aspects, a gradual pick-up in the private sector capex will make investment growth more broad-based, and continued disinflation will support the purchasing power of consumers. While the country's structural foundation is strongly led by digital infrastructure, manufacturing, infrastructure, and technology, other key areas of progress and development are set to be climate change, healthcare, agriculture, income equality, and further reforms in GST, taxation, and urban infrastructure.

## Indian Plastic Pipes and Fittings Market - Overview

### Pipes and fittings – well placed for long-term growth

In India, the demand for water supply and water management infrastructure, with pipes as the primary component, is significantly high and has a vast scope for expansion.

In fiscal year 2023, India's plastic pipe industry is estimated to be around ₹470 billion. It reported a CAGR of 9.7% from FY 2015 to FY 2023.

Fig 14 – India's plastic pipe industry has grown at 9.7% CAGR over FY15-FY23

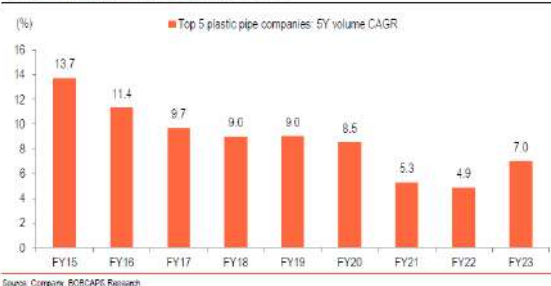


In FY 2023, organized players are believed to be growing their market share consistently from ~59% in FY15 to ~67% in FY 2023. Additionally, the volumes of the top 5 plastic pipe companies grew at a healthy 8.4% CAGR for FY 2015-FY 2023 despite a weak real estate cycle.

**Fig 18 – Market seeing gradual shift from unorganised to organised players**



**Fig 17 – Volumes of top 5 plastic pipe companies grew at healthy 8.4% CAGR for FY15-FY23 despite weak real estate cycle**



In terms of end use, plumbing and sewerage pipes constitute approximately 55% of the industry's total volume, followed by agriculture pipes (35%) and infrastructure & industrial pipes (10%). The infrastructure & industrial pipe segments are expected to witness the highest growth due to increased Government expenditure on the Jal Jeevan scheme which aims to provide rural drinking water connections and urban infrastructure. Plastic pipes still have low penetration in water supply management, an area currently dominated by expensive cement and steel pipes.

According to estimates, the plastic pipe industry is expected to report a volume CAGR of 10-12% between FY 2023 to FY 2028. This projection considers favorable resin prices, potential revival in the urban real estate sector, and the Government's emphasis on boosting farm income and advancing infrastructure development.

#### Real estate industry – A strong growth driver

The activity of new real estate launches has seen a significant increase over the last 2-3 years, which is expected to result in a robust demand for pipes.

India's population is expected to surge to 1.55 billion by 2034 with an estimated 42.5% of the population residing in urban centres. Consequently, India's existing rural and small towns are set to transform into mini-urban towns. The burgeoning urban population will generate the demand for housing in India, especially in cities. As per estimates, to accommodate the urban population, urban cities in India will require an additional 78 million housing units between 2024-34. Such demographics and movement in the real estate industry augur well for the Indian

pipes & fittings industry, expanding the industry's potential in the long term.

**With growing customer awareness, durable, high-quality branded products will continue to gain mind share.**

In recent years, companies specializing in pipes and fittings offering branded products have gained prominence within the industry, surpassing unorganized manufacturers and some larger regional players facing financial constraints. These brands strategically invest in building awareness, educating consumers, and engaging with local audiences, particularly in Tier 2 and 3 towns and cities. Their efforts have heightened awareness among plumbers and consumers regarding quality and adherence to BIS standards, especially in residential real estate projects.

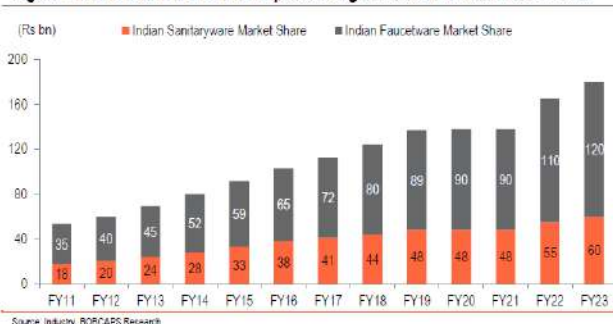
The growth of organized players is further supported by their focus on value-added products, fittings, and expanded portfolios for channel partners. These organized players now serve as comprehensive solution providers for plumbing applications. Among various types of plastic pipes, UPVC and CPVC consistently experience demand due to their affordability, high quality, durability, and versatility.

However, unorganized manufacturers encounter challenges related to operating issues, tax compliance, and quality standards. Supply-side limitations and inflation in raw material costs also impact their profitability and financial stability. Legacy players prioritize building resilient brands, optimizing pricing, engaging with influencers, driving product innovation, and streamlining supply chain management, positioning themselves as leaders with strong recall among consumers.

## INDIAN BATH & SANITARYWARE MARKET

The domestic bathware market is estimated at Rs 180 billion in FY 2023 (sanitaryware: Rs.60 billion; faucets: Rs 120 billion) and has posted a 7.9% CAGR over FY 2015-FY 2023. The bath fittings market is riding the wave of urbanization, consumer awareness, and real estate growth. As more households embrace modern amenities, the demand for stylish and functional bathroom fittings continue to rise.

**Fig 31 – Indian bathware market expected to grow at 8-10% over FY23-FY28E**



## The Thriving Indian Sanitaryware and Faucet Industry

- **Sanitaryware Industry:**
  - India ranks as the world's second-largest sanitaryware manufacturer, following China.
  - The Indian sanitaryware industry is estimated to be around ₹ 60 billion in FY 2023, with approximately 75% of it constituting the organized market.
  - The industry is highly consolidated, with the top four players commanding ~60% of the total market share.
  - Morbi and neighboring areas in the state of Gujarat manufacture majority of India's total sanitaryware.
  - Easy availability of raw materials and a skilled labor force contribute to the industry's growth.

While sanitaryware is already highly penetrated in India, the industry still offers strong long-term growth potential. Currently, replacement demand accounts for only 15-20% of the domestic sanitaryware market (compared to 80% in developed countries).

- **Faucet Market:**
  - The faucet market in India is valued at over Rs. 120 billion, with approximately 60% being the organized market.
  - Unlike sanitaryware, the faucet industry is highly fragmented.
  - New real estate construction activity and a trend toward premiumization are the primary demand drivers for faucets.

### Factors Driving Growth:

**Urbanization:** As urban areas expand, the demand for bathroom fittings increases. Having at least one bathroom has become a necessity in cities.

**Consumer Awareness:** With growing aspirations for a better lifestyle, people are becoming more conscious of new bath accessories, leading to a surge in demand.

**Rise in the Housing Sector:** Factors like increased purchasing power, population growth, and Government support for easy loans contribute to the housing sector's growth.

**Real Estate Boom:** The Indian real estate industry caters to various property segments, including residential, commercial, and hospitality. This fuels the demand for bath fittings as an integral part of modern infrastructure.

## COMPANY OVERVIEW

### Prince Pipes - Leading the transformation in India's water infrastructure

Over the last four decades, Prince Pipes has emerged as a leader in the Indian pipes and fittings industry, creating innovations in plumbing, irrigation, storage, and sewerage systems. With time, the journey has assumed a much larger scale.

Today Prince Pipes is one of India's largest integrated piping solutions providers. Our operations continue to expand across agriculture, plumbing, borewell categories, as the company continues to build an extensive range in sewerage and underground drainage solutions.

With a product portfolio of 7,200+ SKUs, Prince Pipes is well positioned as an end-to-end solutions provider. The Company has an extensive pan-India distribution network of over 1,500 channel partners. With seven manufacturing units and the 8th unit under construction in Begusari, Bihar; we are well-poised to address the growing potential of the Indian pipes and fittings industry.

### VISION

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

### MISSION

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

### Company Profile

Over the past four decades, Prince Pipes has emerged as a leader in the Indian pipes and fittings industry, driving innovations in plumbing, irrigation, storage, and sewerage systems. Prince is taking bold strides to strengthen its market and industry presence by diversifying into newer verticals, including Modern Plumbing and Bathware.

We are seizing every opportunity to push our limits further, expand our growth verticals, enhance efficiencies, and optimize capital productivity—all to create higher stakeholder value. Prince Pipes stands as one of India's largest integrated piping solutions providers, marketing products under the brand names of Prince Piping Systems and Trubore. Our operations span across agriculture, plumbing, and borewell categories, and we are actively building the widest range of sewage products and

underground drainage solutions.

In March 2024, Prince Pipes signed an Asset Purchase Agreement (APA) with Klaus Waren Fixtures Pvt Ltd., for the acquisition and assignment of identified assets including the Aquel brand and plant and machinery located in Bhuj, Gujarat. This transaction allows Prince to be able to increase its participation and contribution to the high-growth real estate market by being present across the plumbing and bathing segments. With the acquisition of the Aquel brand, Prince Pipes aims to become a prominent player in the Bathware segment, replicating the success it has achieved in its other segments.

Prince Pipes has an extensive pan-India distribution network of over 1,500 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. In line with our expansion goals, the construction of our Begusarai plant is progressing well on course marking Prince Pipes' dynamic expansion in East India

– which is a major frontier of growth. The The proposed capital expenditure in the Bihar facility is approximately ₹220 crores for the proposed capacity of 48,000 MT of pipes and fittings.

Prince is building several levers of growth that will give greater play to the Company's expansion and growth strategies, transforming into a larger and more resilient enterprise building a strong presence across Pipes, Water tanks and Bathware.

The Company has been building a multilocation manufacturing network for the water tanks segment, to enable us to leverage its channel network for greater scale. The water tanks plant in Dadra was launched in July 2020, Jaipur in May 2022, Telangana in June 2022, Haridwar in February 2024, while the Chennai plant was launched in July 2024.

Prince Pipes is committed to and prides itself on its ability to address the needs of changing times. Our focus remains on meeting the evolving customer demands, building a robust and efficient supply chain, safeguarding the environment, and undertaking strategic initiatives that will give greater play to our business model.

## An extensive portfolio



### AGRICULTURE, WATER STORAGE & SUB SURFACE DRAINAGE



**AQUAFIT**  
Agriculture Piping Systems



**SAFEFIT**  
Borewell Systems



**PEFit AQUA**  
HDPE PIPING SYSTEMS



**STOREFIT**  
Paani Ka Bank



**RAINFIT**  
Roofwater Systems



**TERRAFIT**  
Professional Geomembrane Piped for Sub-Surface Drainage

### WIRE PROTECTION



**CABLEFIT**  
CABLE DUCTING PIPES



**WIREFIT**  
Electrical Conduit Pipes & Fittings

### PTMT TAPWARE



**DURATAP**  
PTMT TAPWARE

## MODERN / PLUMBING

*Brings home world class plumbing solutions with German Technology*



**Skolan**  
safe.



**HT**  
safe.



**hauraton**

### New Addition



A strong platform, complementary to Prince's growth plans in the high-growth Indian bathware market

Prince Pipes signed an Asset Purchase Agreement with Klaus Waren Fixtures Pvt Ltd., for the acquisition and assignment of identified assets for Rs. 55 crores in March 2024.

The acquisition presents strong synergies and advantages:

- Direct access to an iconic brand along with a state-of-the-art facility.
- Increase presence in the plumbing and bathing segments enables Prince to expand its participation and contribution to the high-growth real estate sector.
- Access to distribution channels in major markets across India.
- Presents an opportunity to build greater depth for Prince's Bathware segment and leverage Aquel's iconic brand equity.

## Our Value Creation Model

Our multifaceted strategy goes beyond mere financial aspects. It involves weaving together stakeholder relationships, innovation, efficiency, and distinctiveness to achieve enduring success.

| What we leverage...  | What we do...  | The value we create...   |
|--|--|--|
| <p><b>Relationships</b></p> <p><b>Purpose-Driven Individuals</b> Our skilled and motivated workforce dedicate their expertise and time across our offices, factories, and R&amp;D centers. We're embracing greater efficiency and agility in our work processes.</p> <p><b>Reliable Suppliers:</b> We collaborate with over 1,300 essential supplier partners who procure materials and deliver critical services to our organization.</p> <p><b>Dedicated Partners:</b> Our collaboration with global industry leaders empowers us to extend our impact.</p>  | <p><b>Manufacturing Process:</b> Our facilities and factories transform raw materials into high-quality finished products.</p> <p><b>Sourcing Raw Materials:</b> Annually, we procure substantial quantities of raw materials and packaging materials to support our business operations.</p> <p><b>Consumer Insights:</b> We bring products and global water management technology based on industry needs, evolving trends and customer insights.</p> <p><b>Innovation:</b> Our R&amp;D and marketing teams leverage these insights, along with expertise from external specialists, to develop customer-centric products.</p> <p><b>Supply-chain:</b> Our robust supply-chain system plays a crucial role in managing inventory and delivering products to pan-India retail outlets.</p> <p><b>Marketing:</b> Our marketing &amp; branding efforts ensures top-of-mind recall based on key strengths of Quality, Trust and Innovation</p> <p><b>Sales:</b> Our 1500+ channel partners ensure that our brands are available to customers across India. They are also strong sources of customer insights enabling new product development.</p> | <p><b>Customers:</b> Our mission is to offer high-quality, sustainable products manufactured through sustainable protocols.</p> <p><b>Channel Partners:</b> We partner with distributors, retailers and digital commerce marketplaces that enable us to grow together.</p> <p><b>Suppliers and business associates:</b> Our suppliers are our partners in growth through mutually beneficial policies led by long-term relationships.</p> <p><b>Our people:</b> Our focus is on personal growth, and well-being as we guide them in discovering their purpose, enabling them to reach their full potential.</p> <p><b>ESG Goals:</b> Our approach includes reducing environmental footprint, promoting responsible sourcing, and supporting community development. We strive to create a positive impact on society and the environment</p> <p><b>Shareholders:</b> We aim to deliver profitable &amp; responsible growth.</p> |
| <p><b>Resources</b></p> <p><b>Input Material:</b> We use thousands of tonnes of polymers packaging material, and chemicals for our products.</p> <p><b>Financial resources</b> Capital from our shareholders allows us to invest for the long-term</p> <p><b>Intangible Assets:</b> Over 7,200 SKUs, robust R&amp;D capabilities, and valuable intellectual property, including patents. Our manufacturing excellence, 40 years+ legacy, and focus on Quality, Innovation, and Trust also distinguish us in the market.</p> <p><b>Owned and leased assets:</b> Manufacturing units, offices, and warehouses spread across the country.</p> |  |  |

## Fortifying key strengths

### Agility and Resilience: Transforming Our Enterprise for the Future

With strong macroeconomic fundamentals in place, we are committed to sharpening our business execution and roll-out plans. We are focusing aggressively on driving volume growth through various efforts aimed at expanding distribution and strengthening our channel network.

At Prince Pipes, our rich industry heritage provides us with a robust knowledge advantage, enabling us to meet the ever-evolving needs of our customers. We continuously enhance our competitive strengths and operational efficiencies to thrive in an increasingly competitive business landscape. Our unwavering commitment to excellence and strategic initiatives positions us on a trajectory towards becoming an even more agile and resilient organization.

### Strategic Transformation To Fulfil Our Mission To Enhance India's Water Infrastructure

As part of our commitment to being an end-to-end pipes and fittings solution provider, our Company has undergone deep, transformative changes. These changes enable us to establish a strong presence across the entire product value chain spanning Pipes, Water Tanks and Bathware, to play a leading role in strengthening India's water infrastructure. From an enterprise with modest beginnings, Prince Pipes has evolved into one of India's largest integrated pipe manufacturers, with presence across high-growth verticals to shape India's water infrastructure.

### Bathware segment 'Aquel by Prince' propels Prince Pipes' growth trajectory

Our unwavering focus on innovation allows us to actively address the needs of consumers across pipes and now bathware products led by **Aquel by Prince**. With a robust portfolio encompassing pipes, water tanks and bathware, we look to not only consolidate our industry presence but are also excited to contribute to India's remarkable growth story.

### Comprehensive Product Portfolio

We expanded our product portfolio by introducing several new offerings. Among these were the **TerraFit-Subsurface drainage pipes**, which provide innovative solutions for managing excessive subsurface water. We also launched the **Duratap range**, which includes faucets and showers. Duratap products are manufactured using PTMT material, offering significant advantages in terms of functionality and durability. These products are targeted at the cost-conscious mass market.

As part of our growth strategy, we consistently introduce cutting-

edge products in our piping division, aiming to bring innovative and globally competitive solutions to the domestic market.

### Marketing efforts centered on expanding brand recall and target audience engagement

**Marketing Transformation:** We revamped our marketing strategy to focus on pushing the boundaries of category norms. Our goal is to create robust demand among customers, encouraging them to recognize and value the enhancements offered by Prince products. Exciting customer engagement campaigns included **"Paani ka muh todd jawab"** conducted through a housing society campaign in Ahmedabad engaged general audiences in the housing societies to engage with the Prince brand through this unique 'know your pipes' initiative.

**Aggressive Campaigns:** Through assertive campaigns, Prince Pipes tackle issues related to counterfeit products and duplicity. Our roadshows span across India, targeting specific customer segments based on industry requirements. We also conduct educational sessions for plumbers and raise awareness through various initiatives. Into the 7th year of launching the unique **Plumber song**, Prince Pipes once again celebrated the spirit of plumbers across India on World Plumbing Day. Prince has been taking the industry lead in commemorating World Plumbing Day on March 11 since 2018, and in March 2024, Prince Pipes launched a new song dedicated to plumber associates emphasizing on their role as **Paani ke Pehredaar**.

**Channel Partner Engagement:** Our active engagement with channel partners includes high-decibel below-the-line (BTL) branding through events, B2B exhibitions across India, and targeted digital marketing efforts, all aimed at achieving greater brand appreciation and marketing leverage.

### Seamless Customer Experience:

As an end-to-end piping systems solutions provider, we offer customers a seamless experience. From plumbing and storage solutions to sewerage systems and product installations, we ensure a holistic approach that considers related products and plumber assistance. From operations that focused on 'behind-the-wall' products of pipes and fittings, Prince is now also present in the 'front-of-the-wall' category with Aquel by Prince bathware, sanitaryware and accessories range.

### Forging Tomorrow: Strengthening Manufacturing Prowess

As we strive to become future-ready, we recognize that strengthening our manufacturing capabilities goes beyond mere production capacity. Our **8th manufacturing unit located at Begusarai in Bihar** is a new greenfield facility to enhance our presence in East India. Our continuous focus is improving

operations, reducing waste, enhancing production profitability, and achieving a competitive edge through quality and safety innovations. Our approach extends beyond maximizing production throughput. We are committed to building multiple pillars of our business, with the following key areas of emphasis:

**Well-being & Safety:** Safety is paramount for both our employees and product integrity. Our effective safety systems ensure that employees handle products in a secure environment.

**Uncompromising Quality:** Meeting customer expectations and consistently delivering high-quality products drive our success. We encourage employees to take ownership of product quality, fostering innovation and an effective quality management system.

**Maximizing Yield:** Profitability remains a strong focus. We take numerous steps to eliminate waste, minimize product loss, and continuously innovate our processes. Our yield systems closely track measurements and establish robust waste control mechanisms.

**Boosting Productivity:** We explore novel approaches to maximize throughput while maintaining safety, quality, and yield. Engaged employees on the plant floor contribute to overall efficiency.

| Plant location                       | Installed capacity (TPA) | Production capacity (TPA) | Products                  | Year of establishment |
|--------------------------------------|--------------------------|---------------------------|---------------------------|-----------------------|
| Athal (UT of Dadra and Nagar Haveli) | 9,537                    | 8,106                     | Fittings                  | 1995                  |
| Dadra (UT of Dadra and Nagar Haveli) | 65,649                   | 47,638                    | Pipes and Tanks           | 2000                  |
| Haridwar (Uttarakhand)               | 98,900                   | 78,026                    | Pipes, Fittings and Tanks | 2008                  |
| Chennai (Tamil Nadu)                 | 47,003                   | 35,356                    | Pipes                     | 2012                  |
| Kolhapur (Maharashtra)               | 16,157                   | 12,360                    | Pipes                     | 2012                  |
| Jaipur (Rajasthan)                   | 44,799                   | 34,074                    | Pipes and Tanks           | 2019                  |
| Telangana                            | 56,914                   | 45,644                    | Pipes, Fittings and Tanks | 2021                  |
| Begusari (Bihar)                     | Ongoing construction     |                           | Pipes, Fittings and Tanks |                       |
| <b>Total</b>                         | <b>3,38,959</b>          | <b>2,61,204</b>           |                           |                       |

## Key Performance - Financial Highlights

### Financial Highlights (in Rs. million)

|   | FY 2024   | FY 2023   | y-o-y change (%) |
|---|-----------|-----------|------------------|
| Revenue from operations                       | 25,687.48 | 27,108.71 | (5%)             |
| Other income                                  | 160.93    | 85.50     | 88%              |
| EBITDA  | 3,074.15  | 2,503.16  | 23%              |
| Profit after exceptional items and before tax | 2,437.68* | 1,648.41  | 48%              |
| Profit after tax (PAT)                        | 1,824.97* | 1,214.20  | 50%              |

\*Exceptional item for the year ended 31.03.24 represents net gain of Rs.17.93 crore towards settlement of registration of Corporate office, at The Ruby, Dadar, Mumbai, based on the valuation report

| Ratios                      | FY 2024 | FY 2023 | Change   |
|-----------------------------|---------|---------|----------|
| Debtors Turnover (x)        | 5.14    | 6.38    | (19.48)% |
| Inventory Turnover (x)      | 5.95    | 5.19    | 14.61%   |
| Interest Coverage Ratio (x) | 3.02    | 2.06    | 46.41%   |
| Current Ratio (x)           | 2.43    | 2.45    | (0.76)%  |
| Debt Equity Ratio (x)       | 0.07    | 0.04    | 73.86%   |
| Operating Profit Margin (%) | 11.97   | 9.23    | 273 Bps  |
| Net Profit Margin (%)       | 7.10    | 4.48    | 262 Bps  |
| Return on Equity- RoE (%)   | 11.32   | 9.24    | 22.53%   |

## Balancing Risks and Opportunities

A proven risk management system that monitors, identifies, and addresses both current and emerging risks.

| Types of risks  | Risk description  | Mitigation  |
|---|---|---|
| <b>Industry Risks</b>                                       |   |   |
| Raw material supply   | The prices of inputs have undergone substantial fluctuations in recent years. Unanticipated changes in commodity prices will likely affect profitability and the ability to meet market demand. Additionally, any increase in crude oil prices directly impacts the cost of resins, which serve as a critical raw material for pipes. | Our company acquires commodities and raw materials based on our production needs and schedules. We follow strong guidelines and extensive plans to manage inventory positions strategically, mitigating the impact of price fluctuations.   |
| Competition   | As the industry moves towards consolidation, competitive branding, marketing, and pricing dynamics among other players may affect our market share.   | Our company invests in diverse branding efforts to build high customer brand recognition. The company has been actively pursuing volume growth. Additionally, we have expanded our product range by entering additional segments like Modern Plumbing and Bathware, and we will continue to seek further opportunities for growth and advancement.                                |
| <b>Operational Risks</b>                                    |   |   |
| Safety risks  | Our company's core business revolves around manufacturing processes. As part of this, some of our employees operate plant machinery and equipment, all of which carry inherent risks of injury or accidents.  | The company follows high safety standards across plants designed to ensure inherent safety following various applicable standards. Regular safety audits, continuous monitoring, periodic review, and timely maintenance of equipment and infrastructure are conducted to prevent accidents and downtime to ensure good progress.   |
| Logistic and Supply Chain                                   | Supply chain disruptions or logistical challenges may arise. Additional concerns may involve material receipt and vendor payment challenges.  | Regular reviews of processes assess inventory, invoicing, stock management, and dispatch of goods. We collaborate closely with suppliers to ensure high-quality supply, reliability, and business continuity.   |
| Enterprise Risk Mgmt. covering anti-Fraud Control Framework | Addressing duplicity remains an ongoing challenge, with counterfeit goods prevalent in the markets. Additionally, channel partner credibility, without thorough due diligence, may present risks.   | We actively address duplicity issues with decisive actions and unwavering commitment. We have established processes to assess the effectiveness of these actions and take corrective measures if needed. Additionally, we regularly conduct surprise raids on illegal premises where counterfeit products are manufactured and sold, with the assistance of relevant authorities. |

| Types of risks                    | Risk description  | Mitigation   |
|-----------------------------------|---|--|
| <b>Financial Risks</b>            |   |  |
| Foreign exchange                  | Certain imported raw materials and equipment are used in our manufacturing plants. Adverse exchange rate fluctuations could affect our overall performance.   | As an essential aspect of our operations, we systematically assess exchange rate exposure resulting from foreign currency transactions to safeguard our financial well-being. We proactively utilize various financial instruments to mitigate this risk.  |
| Changing regulations and policies | The Indian Government has imposed a five-year antidumping duty (ADD) on CPVC resin/compound imports from China and South Korea, valid until June 2029, unless revised earlier.<br><br>The Government has also initiated anti-dumping investigation on (PVC) Resin (suspension grade) from China, Indonesia, Japan, South Korea, Taiwan, Thailand and the U.S. | Earlier, CPVC resin was sourced from various geographies, including Korea, China, Japan, and Europe. The Company now sources its CPVC compound from Lubrizol therefore we have been able to mitigate this risk.<br><br>Procurement department works effectively to discover best prevailing price globally and procure from countries which would have low to nil duty. Domestic prices also adjust to global PVC prices over time.  |
| Credit                            | Most of our sales to distributors occur on an open credit basis, with a standard payment period ranging from 15 to 30 days. Failure to collect receivables could have a negative impact on our performance.   | Our company procures raw materials from domestic suppliers with credit terms of less than a week, while imported raw materials have credit terms of 90-150 days. However, our standard payment terms with distributors typically range from 15 to 30 days. To manage the timing difference between raw material payments and product receipts, we utilize working capital facilities. Additionally, we optimize working capital requirements and enhance collections by employing channel financing. |
| <b>Regulatory Risks</b>           |   |  |
| Regulatory/legal                  | The Company's performance may be affected by evolving regulatory changes in tax, legal, and industry scenarios.   | Stringent governance practices are implemented across legal and regulatory matters, overseen by qualified and responsible professionals. Regular monitoring ensures compliance, and timely inputs are provided to the Company for prompt corrective action.  |

## Sustainability

### A force for good

At Prince Pipes, our commitment to ESG goes beyond mere metrics and statistics. It influences our daily habits, purchasing decisions, business strategies, and our role as a responsible corporate citizen. We are expanding and deepening our focus to create a more positive impact by providing opportunities, manufacturing responsibly, and approaching business conscientiously. In essence, we prioritize Environmental, Social & Governance (ESG) through sustained, environment-specific programs.

- Carbon footprint: CO2 per Kg of production reduced from 0.394 in FY 2023 to 0.361 in FY 2024, i.e., a reduction of 8.4%.
- Renewable sources of energy increased by ~20% YoY in FY 2024
- The Haridwar plant achieved Greenhouse Gas Emission Certification done as per ISO 14064-3:2019 (Scope-1, 2 & 3) for the year FY-23 from DQS India, reiterating the company's commitment to ESG goals.

## Environment

Prince Pipes remains a committed steward of our natural environment. Our endeavors revolve around conserving natural resources, minimizing pollution, safeguarding biodiversity, and ensuring a sustainable future for generations to come. We proactively take decisive steps to address the visible impacts of climate change, including increased adoption of renewable energy and our commitment to carbon neutrality. Additionally, we enhance water recycling efforts and uphold stringent quality standards, earning us multiple safety awards. Our business decisions consistently prioritize sustainable development.

## Social

Prince Pipes and Fittings has consistently demonstrated socially responsible behavior towards employees and the community. Our commitment extends to creating and maintaining a diverse, vibrant, and merit-based work environment. Our CSR policy focuses on social investments, empowering the plumbing community, and educational initiatives. Some of our key initiatives along with our implementation partners benefitting the industry and larger society undertaken this fiscal, are as follows:

- **Empower Pragati:** In Delhi and Solan, a special initiative was created for plumber upskilling. The aim was to enhance plumbing skills while also providing them with essential healthcare services.
- **Ambuja Cement Foundation:** Implemented in Chomu, Rajasthan, this initiative was taken to facilitate access to safe drinking water and augment groundwater recharge while promoting efficient water usage for drinking and irrigation.
- **Mahita Organisation:** Undertaken in Sangareddy, Telangana, this effort was aimed at improving water access & farm livelihood. Efforts were concentrated on enhancing communities' quality of life through water access to farmers, education support for girls, and entrepreneurship skills for women.
- **United Way of Mumbai:** Implemented in Jaipur and Sangareddy, the effort helped enhance communities' well-being by improving water access, boosting farm-based livelihoods, facilitating access to Government schemes, and promoting ongoing education.

## Governance

Prince Pipes is committed to values and ethical business conduct in letter and spirit. We have maintained high standards of governance that guide us to achieve strong, balanced, and sustainable growth for all stakeholders. Our experienced Board of Directors, supported by robust risk management and compliance

processes, plays a key role in ensuring the highest standards of governance and disciplined oversight in our corporate activities.

## People

At Prince Pipes, our people are the cornerstone of progress. Our comprehensive people management approach encompasses employee development, safety, leadership training, and family well-being. Our policies foster operational democracy, ensuring that employees feel heard and take ownership.

### Key aspects of our HR policy include:

- ✓ **Skill Enhancement Programs:** We regularly conduct specialized training programs, including Six Sigma, to enhance employee skills and support career development.
- ✓ **People-Centric Culture:** We prioritize talent attraction, nurturing, and retention. Inclusivity, diversity, and transparency are integral to our organizational culture.
- ✓ **Human Rights:** We respect and promote human rights, conducting due diligence to prevent adverse impacts from our business activities.
- ✓ **Safe and Hygienic Workplace:** Our workplace environment upholds employee dignity, safety, and well-being. We comply with statutory provisions related to health and safety.
- ✓ **Training Opportunities:** We provide internal and external training to upskill the Company's 1,913 employees, contributing to organizational vision and growth.
- ✓ **Employee engagement and welfare initiatives** include health-related programs such as weight loss competitions, health webinars, yoga and meditation sessions, and emotional health discussions with experts.

## Health, Wellness, and Safety

Our unwavering commitment to workplace safety ensures that we report no incidents that could lead to legal actions, compensation claims, increased insurance premiums, reduced productivity, or reputational damage. Responsible health and safety practices are fundamental for our long-term sustainability.

Creating a safety-conscious culture among employees is our priority:

- ✓ **Occupational Health and Safety (OHSMS):** Our OHSMS certification process, supplemented by plant Safety Committees, governs safety practices. Specially trained safety professionals and line management contribute to our safety initiatives.
- ✓ **Safety Performance Metrics:** We measure safety performance using metrics such as Lost Time Injury (LTI)

and Accident-Free Days (AFD), benchmarked against global industry standards.

- ✓ Behavior-Based Safety (BBS): Our BBS initiative fosters a zero-accident culture by identifying hidden habits and environmental factors. Employees actively participate in hazard identification and risk assessment.
- ✓ Employee Training: We provide regular safety and skill-upgradation training, including:
  - o Daily Toolbox Talks (TBT) on relevant topics
  - o First aid training by St. John Ambulance
  - o BBS training by external experts
  - o EHS awareness training for new employees
  - o Hazard Identification and Risk Assessment (HIRA) training
  - o Safety auditor training
  - o Practical training on fire safety equipment
  - o Quarterly mock drills
  - o Environment and safety awareness events, including tree plantation drives.
  - o Our commitment to safety extends beyond compliance — it is ingrained in our organizational culture

## Innovation

Innovation remains a cornerstone of Prince Pipes' success, allowing us to establish strong product differentiation and achieve top-of-mind recall. With a 40-year legacy, our unwavering passion for impacting India's water infrastructure has been a constant driving force. We take immense pride in our industry leadership, which enables us to understand evolving needs and anticipate future trends.

Leveraging this strength, Prince Pipes consistently introduces new products aligned with evolving industry trends, changing customer needs and international modern technologies in water management. Our commitment to innovation drives sustained investments in manufacturing, research and development, information technology, and sustainability.

As part of our goal to be an end-to-end pipes and fittings solution provider, we continuously enhance our comprehensive product portfolio. Notably, we have recently launched the following products:

### **Pipes & fittings:**

- **Duratap in Polytetra Methylene Terephthalate (PTMT)** combines the advantages of both plastics and metals. Aimed at the cost-conscious, mass market.

- Duratap range includes faucets and showers – the product has been introduced in key markets across all zones in India
- Being a specially engineered plastic, PTMT has several advantages over other materials in terms of functionality and longevity.
- **TerraFit** – Subsurface Drainage Pipes - an innovative solution, addressing challenges related to excessive subsurface water in agriculture.
  - Also plays a pivotal role in modern infrastructure development by regulating and maintaining water tables. Ideal for maintaining stability in Agriculture & Airports.

## Internal Control

Prince Pipes has implemented a robust internal control system, supported by well-documented procedures across all corporate functions. These internal controls provide evidence-based assurance regarding operational effectiveness, efficiency, financial controls, and compliance with legal requirements.

Our policies and procedures are regularly updated under the supervision of the Internal Auditor. We align all processes and controls with industry standards and regulations. The Board and the Audit Committee oversee the adequacy of internal controls by monitoring the implementation of internal audit recommendations through compliance reports. Independent auditors have also verified the adequacy of our reporting.

## Cautionary Statement

Certain Statements found in the Management Discussion and Analysis may constitute "Forward Looking Statements" within the meaning of applicable securities laws and regulations. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that are difficult to predict and which may cause our actual results, performance, or achievements to be different from any future results, performance, and achievements expressed or implied by these statements. Following the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in the future or any update made thereon.

## BOARD'S REPORT

Dear Members,

Your Directors have immense pleasure in presenting the Thirty Seventh (37th) 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, 2024.

### 1. Financial Results

The key highlights of the financial results of your Company for the financial year ended March 31, 2024, and comparison with the previous financial year ended March 31, 2023, are summarised below:

| Particulars   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Revenue from Operations                             | 25,687.48                            | 27,108.71                            |
| Less: Expenses                                      | 22,613.33                            | 24,605.55                            |
| <b>EBITDA (excluding exceptional items)</b>         | <b>3,074.15</b>                      | <b>2,503.16</b>                      |
| <b>Less:</b>  |                                      |                                      |
| Finance Cost  | 65.00                                | 110.13                               |
| Depreciation  | 911.67                               | 830.11                               |
| <b>Add:</b>   |                                      |                                      |
| Other Income  | 160.93                               | 85.50                                |
| <b>Profit before exceptional items and Tax</b>      | <b>2,258.41</b>                      | <b>1,648.41</b>                      |
| <b>Add:</b>   |                                      |                                      |
| Exceptional Items                                   | 179.27                               | 0.00                                 |
| <b>Profit after exceptional item and before tax</b> | <b>2,437.68</b>                      | <b>1,648.41</b>                      |
| <b>Less:</b>  |                                      |                                      |
| Tax Expenses  | 612.72                               | 434.20                               |
| <b>Profit After Tax</b>                             | <b>1,824.97</b>                      | <b>1,214.21</b>                      |
| <b>Add:</b>   |                                      |                                      |
| Total Other Comprehensive Income                    | (20.57)                              | (6.14)                               |
| <b>Total Comprehensive Income for the year</b>      | <b>1,804.40</b>                      | <b>1,208.07</b>                      |

### 2. Overview of Financial Performance

- ❖ Revenue from operations at ₹ 25,687.48 million compared to ₹ 27,108.71 million in FY 23.
- ❖ Sales volume at 1,72,793 MT in FY24 as compared to 1,57,717 MT in FY 23, translating to a growth of 10% YoY.
- ❖ EBITDA (excluding exceptional items) for FY 24 at ₹ 3,074.15 million compared to ₹ 2,503.16 million in FY 23.
- ❖ PAT including exceptional items for FY 24 at ₹ 1,824.97 million compared to ₹ 1,214.21 million in FY 23

### 3. Dividend

Your Directors have recommended Final dividend of ₹ 1.0 /- (Rupees One Only) (at the rate of 10 percent) per share for financial year 2023-2024 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 <https://www.>

princepipes.com/unpaid-unclaimed-dividend

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 <https://www.princepipes.com/investors/corporate-governance/policies>

#### 4. Reserves

Your directors have proposed not to transfer any amount to General Reserves of the Company for the financial year 2023-24.

#### 5. 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.

#### 6. Share Capital

##### Authorised Share Capital

As on March 31, 2024, 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 ₹ 10/- each.

##### Paid Up Share Capital

As on March 31, 2024, the Paid-up Equity Share Capital of the Company was ₹ 110.56 million Equity Shares of ₹ 10/- each aggregating to ₹ 1,105.61 million.

#### 7. 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.

#### 8. 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 the 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 2023-24, the company had not transferred any shares to Investor Education and protection Fund ("IEPF"). As on March 31, 2024, ₹ 0.39 million is lying as the unclaimed dividend amount.

#### 9. 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.

#### 10. Management Discussion and Analysis

The management of your company presents the analysis of performance of the Company for the Financial Year ended March 31, 2024, 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.

#### 11. Credit Rating

The details of credit ratings obtained from CRISIL Ratings Ltd are as under:

| Total Bank Loan Facilities Rated | ₹ 768 Crore (Enhanced from ₹ 668 Crore) |
|----------------------------------|---|
| Long Term Rating                 | CRISIL A+/Stable (Reaffirmed)           |
| Short Term Rating                | CRISIL A1+ (Reaffirmed)                 |

#### 12. Borrowings

The aggregate borrowings of your Company stood at ₹ 1,144.41 million as at March 31, 2024 as compared to ₹ 581.34 million as at March 31, 2023. The company has availed term loans amounting to ₹ 188.97 million and buyers credit of ₹ 555.25 million. The company has repaid working capital loans amounting to ₹ 181.14 million for the period under review.

#### 13. Corporate Governance

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

#### 14. Compliance with Secretarial Standards

The Company has complied the applicable provisions of Secretarial Standards i.e. SS-1 and SS-2, issued by Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Act during the year under Report.

## 15. Business Responsibility and Sustainability Report

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

## 16. Acquisition of Brand "Aquel"

During the year under review, the Company signed an Asset Purchase Agreement (APA) with Klaus Waren Fixtures Pvt Ltd., for the acquisition and assignment of identified assets for ₹55 crores. The acquisition will be structured in two phases. The first phase shall constitute the acquisition of the iconic Aquel brand along with the acquisition of moulds and dies, on an immediate basis. The second phase will be in relation to the acquisition of the assets comprising of land parcel, buildings, machinery and manufacturing equipment, office furniture and fixtures situated at Klaus Waren's plant in Bhuj, Gujarat. The transaction shall be consummated subject to the receipt of regulatory approvals. The total built up area is ~1,10,000 sq ft whereas the land parcel area spans ~8 acres, which could be used for future expansion.

## 17. Insurance

The company has maintained insurance policies on the production facilities, stock transit policy, property, plant and equipment, inventories, import of consignment and damage due to fire, earthquakes, floods and other natural disasters. In addition, The Company has insurance policies for employees i.e., Staff Personal Accident, Staff Group Medclaim along with Directors' and Officers' (D & O) Liability Insurance. Further, the company also has Cyber Liability Insurance & Commercial Crime Policy.

## 18. Deposits

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

## 19. 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.

## 20. Directors Responsibility Statement

The Board of Directors acknowledge the responsibility

for ensuing 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, 2024, and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there are 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, 2024 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;

## 21. 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.

## 22. 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 is given in the Corporate Governance Report.

The detailed report on CSR activities carried out by the Company during FY 2023-24 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 <https://www.princepipes.com/investors/corporate-governance/policies>

### 23. Remuneration Policy

The Company has a Nomination and Remuneration Policy in place. For details on the same, please refer to the Corporate Governance Report. The criteria/policies of the Company for selection Remuneration Policy for Directors, Key Managerial Personnel (KMP's)/ Sr. Management Personnel and other employees of the Company is annexed to the Board Report vide **Annexure B** forming integral part thereof.

### 24. 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 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 <https://www.princepipes.com/investors/corporate-governance/policies>

### 25. 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 and reconstituted on May 19, 2022, August 10, 2023, November 07, 2023 and on May 16, 2024 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.

### 26. 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, 2024. 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 <https://www.princepipes.com/investors/corporate-governance/policies>

### 27. 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 <https://www.princepipes.com/investors/corporate-governance/policies>

### 28. 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 2023-24 and up to the date of this report is furnished below:

#### Retirement and Resignation of Directors

- ❖ Mr. Ramesh Chandak & Mrs. Uma Mandavgane, Independent Directors, retired as members of the

Board of Directors on completion of their second term as independent director effective September 15, 2023.

- ❖ Mr. Dilip Deshpande resigned as an Independent Director of the Company, with effect from May 18, 2024, due to his other preoccupations. Further, he has confirmed that there were no material reasons for his resignations other than those already provided.

The Board places on record its appreciation for the valuable guidance and assistance received from them during their tenure as directors with the Company.

#### Appointment/ Re- appointment of Director

The following was approved by shareholders at the Annual General Meeting held on September 21, 2023:

- ❖ Mr. Jayant Chheda (DIN: 00013206) was re-appointed as the Chairman and Managing Director of the Company for a term of 3 (three) years with effect from August 21, 2023 to August 20, 2026, on the terms and conditions set out in the Agreement dated August 30, 2023.
- ❖ Mr. Parag Chheda (DIN: 00013222) was re-appointed as Whole Time Director designated as a Joint Managing Director for a term of 3 (three) years with effect from August 21, 2023 to August 20, 2026, on the terms and conditions set out in the Agreement dated August 30, 2023.
- ❖ Mr. Vipul Chheda (DIN: 00013234) was re-appointed as Whole Time Director for a term of 3 (three) years with effect from August 21, 2023 to August 20, 2026, on the terms and conditions set out in the Agreement dated August 30, 2023.
- ❖ Mr. Rajendra Gogri (DIN: 00061003) was re-appointed as Independent Director of the Company for a term of 5 (five) consecutive years effective from June 25, 2023, to June 24, 2028.
- ❖ Mrs. Amisha Vora (DIN: 00089193) was appointed as Independent Director of the Company for a term of 5 (five) consecutive years effective from August 10, 2023, to August 09, 2028.

Further the Board of Directors based on the recommendation of the Nomination and Remuneration Committee appointed Mr. Ankur Bansal (DIN: 03082396) as Non-Executive Independent Director of the Company w.e.f. May 16, 2024, and the Members of the Company approved the said appointment vide Special Resolution passed through Postal Ballot on July 07, 2024.

#### 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 an annexure to the AGM Notice.

#### Key Managerial Personnel (KMP)

During the year under review, Mr. Shyam Sharda resigned from his office as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from the close of business hours of October 04, 2023, due to personal reasons.

Mr. Anand Gupta was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from November 07, 2023.

#### 29. Declaration from Directors

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impact their ability to discharge their duties.

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 Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the SEBI Listing Regulations.

Further, in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, all the Independent Directors of the Company are qualified to act as Independent Directors and have registered themselves in the Independent Directors' Database maintained with the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, all the Independent Directors fulfil the criteria of independence as provided under the Act, Rules made thereunder, read with the Listing Regulations and are independent of the management and possess requisite qualifications, experience, and expertise and hold highest standards of integrity to discharge the assigned duties and responsibilities as mandated by Act and Listing Regulations diligently.

Disclosure regarding the skills/expertise/competence possessed by the Directors is given in detail in the Report on Corporate Governance forming part of this Annual Report.

None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

### 30. Disclosure related to Board and Committees of Board

The Board of Directors met Five (5) times during the financial year 2023-24. The dates on which the Board Meetings were held are as follows:

May 25, 2023; August 10, 2023; November 7, 2023; February 5, 2024; and March 20, 2024.

#### Committees

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. 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.

Further there have been no instances where the Board did not accept the recommendations of its committees, including the Audit Committee.

### 31. 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 was carried out individually. 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.

### 32. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of The Companies Act, 2013, the draft Annual Return for the year ending on March 31, 2024, is available on the Company's website at <https://www.princepipes.com/general-meeting>

### 33. Related Party Transactions

All the transactions with Related Parties are placed before the Audit Committee and also placed before the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. All transactions entered into with related parties during the year were on arm's length basis, in the ordinary course of business and in line with the threshold of materiality defined in the Company's policy on Related Party Transactions & are in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder & Regulation 23 of (SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has formulated and adopted and revised a Related Party Transactions Policy ("RPT Policy") for the purpose of identification, monitoring and reporting of related party transactions. The Revised RPT Policy as approved by the Board is uploaded on the Company's website at <https://www.princepipes.com/investors/corporate-governance/policies>

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.

### 34. Auditors and Reports

#### Statutory Auditors

Pursuant to the provision of Section 139 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s. N.A. Shah Associates LLP Chartered Accountants (ICAI Firm No: 116560W) was appointed as Statutory Auditors of the Company at 34th Annual General Meeting of the Company held on September 15, 2021, for a term of 5 (five) consecutive years till conclusion of 39th Annual General Meeting.

The Statutory Auditors have given a confirmation that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

M/s. N.A. Shah Associates LLP, Chartered Accountants, have carried out the statutory audit of the Financial Statements of the Company for the Financial Year ended March 31, 2024. 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.

#### 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), Practising Company Secretaries has been re-appointed as Secretarial Auditor, to undertake Secretarial Audit of the Company for the financial year 2024-25. The report of the Secretarial Auditor in the prescribed Form MR-3 is annexed to this report as **Annexure C**.

The Secretarial Auditors' Report for the Financial year 2023-24 issued by M/s. Sanjay Dholakia and Associates, Practising Company Secretaries does not contain any observation or qualification requiring explanation or adverse remark.

#### Cost Auditors

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of the Audit Committee, has re-appointed Ketki D. Visariya, Cost Accountants as Cost Auditor of the Company, for the financial year ending 31st March 2025, on a remuneration as mentioned in the Notice convening the 37th Annual General Meeting for conducting the audit of the cost records maintained by the Company. A Certificate from Ketki D. Visariya, Cost Accountants has been received to the effect that their appointment as Cost Auditor of the

Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Members' approval for remuneration payable to Cost Auditors forms part of the Notice of the 37th Annual General Meeting of the Company and same is recommended for your consideration.

Cost Audit Report for the year ended 31st March 2023 was filed with the Registrar of Companies, within the prescribed time limit and for the year ended 31st March 2024, the same shall be filed within prescribed time after completion of Cost Audit by Cost Auditors. The Company has made and maintained requisite Cost accounts and records as required to be maintained as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### 35. 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.

### 36. 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.

### 37. 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 D**.

### 38. 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 E**.

### 39. 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.

### 40. 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 including committee composition details is available on the website of the company at <https://www.princepipes.com/investors/corporate-governance/policies>

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.

### 41. 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.

### 42. Other Disclosures

There are no proceedings made or pending under the Insolvency and Bankruptcy Code, 2016 and there are no instances of one-time settlement with any Bank or Financial Institution, during the year under review.

Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review

### 43. Acknowledgement

The Directors place on record their appreciation for the sincere and wholehearted 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 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 01, 2024

## 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, 2024:

| SI. 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 | 4  | 4  |
| II.    | Mr. Parag Chheda      | Member   | Promoter/ Joint Managing Director               | 4  | 4  |
| III.   | Mrs. Amisha Vora*     | Member   | Independent / Non-Executive Director            | 2  | 2  |
| IV.    | Mr. Dilip Deshpande*# | Member   | Independent / Non-Executive Director            | 2  | 2  |
| V.     | Mrs. Uma Mandavgane#  | Member   | Independent / Non-Executive Director            | 2  | 2  |

# Mrs. Uma Mandavgane ceased to be a member of the Committee due to retirement as Independent Director effective from September 15, 2023.

\* Mrs. Amisha Vora was appointed as Member of the CSR Committee with effect from August 10, 2023.

\* Mr. Dilip Deshpande was appointed as Member of the CSR Committee with effect from August 10, 2023.

# Mr. Dilip Deshpande ceased to be member of the Committee w.e.f. May 16, 2024.

#### 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: <https://www.princepipes.com/investors/corporate-governance/policies>

#### 4. Provide the executive summary along with the weblink of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. a) Average net profit of the Company as per section 135(5): INR 2,784 million.
- b) Two percent of average net profit of the Company as per section 135(5): INR 55.68 million
- c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: 1.22
- d) Amount required to be set off for the financial year, if any: Nil
- e) Total CSR obligation for the financial year [(b)+(c)-(d)]: INR 57.56 million

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): 56.16 million  
 b) Amount spent in Administrative Overheads: 1.40 million  
 c) Amount spent on Impact Assessment, if applicable: N.A  
 d) Total amount spent for the FY (6a+6b+6c): INR 57.56 million  
 e) CSR amount spent or unspent for the financial year:

| Total amount spent for the FY | Amount Unspent (₹ 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 |
| 57.56                         | N.A   |                  |   |        |                  |

- f) Excess amount for set off, if any:
- Two percent of average net profit of the Company as per section 135(5): INR 55.68 million
  - Total amount spent for the FY: INR 57.56 million
  - Excess amount spent for the financial year (ii) – (i): INR 1.88 million
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: INR 1.22 million
  - Amount available for set off in succeeding financial years (iii) – (iv): INR 3.10 million

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

| Sl. No. | Preceding FY | Amount transferred to Unspent CSR Account under section 135 (6) of Section 135 | Balance Amount in Unspent CSR Account under subsection (6) | Amount transferred to a Fund specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any |        |                  | Amount Deficiency, remaining to if any be spent in succeeding financial years |
|---------|--------------|--|--|--|--------|------------------|---|
|         |              |  |  | Amount Spent in The Financial Year   | Amount | Date of transfer |   |
| N.A     |              |  |  |  |        |                  |   |

8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:



Yes



No

If yes, enter the number of Capital assets created/acquired:

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

Sd/-

**Jayant Chheda**

Chairman & Managing Director DIN: 00013206

Place: Mumbai

Date: August 01, 2024

## ANNEXURE 'B' TO THE BOARD'S REPORT

### NOMINATION & REMUNERATION POLICY

#### Introduction

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and senior management has been formulated in terms of the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in order to pay equitable remuneration to the Directors, KMPs and senior management of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

#### 1. Objective and purpose of the policy

The objectives and purpose of this policy are:

- 1.1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and senior management. This includes, reviewing and approving corporate goals and objectives relevant to the compensation of the Managing Director (MD) (unless otherwise mentioned the expression of Managing Director includes Joint Managing Director), evaluating the MD's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the board), determine and approve the MD's compensation level based on this evaluation; and making recommendations to the board with respect to non- managerial executive officer compensation, and incentive- compensation and equity- based plans that are subject to board approval;
- 1.2. The policy also addresses the following items:
  - i. Committee member qualifications;
  - ii. Committee member appointment and removal;
  - iii. Committee structure and operations; and
  - iv. Committee reporting to the Board.
- 1.3. To formulate the criteria for evaluation of performance of all the Directors on the Board;
- 1.4. To devise a policy on Board diversity; and
- 1.5. To lay out remuneration principles for senior management linked to their effort, performance and

achievement relating to the Company's goals.

#### 2. Constitution of the Nomination and Remuneration Committee

The Board has constituted the "Nomination and Remuneration Committee" of the Board on September 16, 2017, reconstituted on June 6, 2018, May 19, 2022, August 10, 2023, and on May 16, 2024. This is in line with the requirements under the Act and Listing Regulations.

The Board has authority to reconstitute this Committee from time to time.

#### Definitions

'Board' means Board of Directors of the Company.  
'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing agreements and/or regulations.

'Company' means Prince Pipes and Fittings Limited (PPFL).

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 read with Regulation 16(b) of Listing Regulations.

'Key Managerial Personnel (KMP)' means-

- i. the Managing Director or the Chief Executive Officer or the manager and in their absence, a Whole-time Director;
- ii. the Company Secretary; and
- iii. the Chief Financial Officer.

"Senior Management" shall mean company secretary and chief financial officer and all other officers/personnel of the company one level below the chief executive officer/ managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board)

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### General

This Policy is divided in three parts: -

Part – A: covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B: covers the appointment and nomination; and

Part – C: covers remuneration and perquisites etc.,

This policy shall be included in the Report of the Board of Directors as per the provisions of Act.

#### Part – A

#### Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

The following matters shall be dealt by the Committee:-

##### a. Size and composition of the Board:

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

##### b. Directors:

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

##### c. Succession plans:

Establishing and reviewing Board and senior management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

##### d. Evaluation of performance:

- a. Make recommendations to the Board on appropriate performance criteria for the Directors.
- b. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company and the Board as a whole in accordance with the guidance note issued by SEBI;
- c. Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

##### e. Board diversity:

The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender,

thought, experience, knowledge, and perspective in the Board, in accordance with the Board Diversity Policy.

##### f. Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

- i. the remuneration of the Managing Director, Whole-time Directors and KMPs
- ii. the total level of remuneration of Non-Executive Directors and for individual remuneration for Non- Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;
- iii. the remuneration policies for KMPs and senior management including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to:-
  - ❖ attract and motivate talent to pursue the Company's long term growth;
  - ❖ demonstrate a clear relationship between executive compensation and performance; and
  - ❖ be reasonable and fair, having regard to best governance practices and legal requirements.
- iv. the Company's equity-based incentive schemes including a consideration of performance thresholds and regulatory and market requirements;
- v. the Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
- vi. the Company's remuneration reporting in the financial statements and remuneration report.

#### PART – B

#### Policy for appointment and removal of Director, KMPs and Senior Management

##### a. Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
2. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for

appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
4. The Company shall appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years as per the provisions of the Companies Act, 2013.
5. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

**b. Term / Tenure**

**1. Managing Director / Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**2. Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for five years or more in the Company as on April 1, 2014, or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of five years only.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director Serves is restricted to

seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

**c. Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

**d. Retirement**

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

**PART – C**

**Policy relating to the remuneration for Directors, KMPs and senior management:**

**General**

1. The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director/ other Executive Directors shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.
4. Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and other senior management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to Directors, KMPs and senior management:**

The policy on remuneration for KMPs and other senior management is as below:-

**1. Fixed pay**

The remuneration and reward structure for senior management comprises two broad components — annual remuneration and long-term rewards. The Committee would determine the remuneration of the Directors & KMP and formulate guidelines for remuneration payable to the senior management.

**These guidelines are as under:****a. Annual remuneration:**

Annual remuneration refers to the annual compensation payable to the senior management of the Company. This comprises two parts - a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the organization/ business unit. The performance-linked variable pay will be directly linked to the performance on individual components and the overall performance of the organization. A senior management employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of organization.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber, and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a comparison with the relevant peer group globally, established through independent compensation surveys, from time to time.

**b. Long-term rewards:**

Long-term rewards may include Long-Term Incentive Plans (LTIP) under which incentives would be granted to eligible key senior management employees based on their contribution to the performance of the Company, relative position in the organisation, and length of service under the supervision and approval of the Committee. The company could implement various long-term awards schemes that could include Long Term Incentive Programme (LTIP) spread over several years with payouts in multiple tranches linked to Company's performance. Another form of long term awards could be in the nature of stock options of the company. Stock Options may be granted to key senior management and high performers in the organisation who would be selected by the Committee based on their criticality, past performance and potential. The grant, vesting and other scheme details would be formulated from time to time.

These long-term reward schemes are implemented to attract and retain key talent in the industry.

**2. Minimum remuneration to Managing Director**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Executive Directors in accordance with the provisions of the Companies Act, 2013.

**Remuneration to Non-Executive / Independent Directors Remuneration**

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by the shareholders as per the applicable provisions of the Companies Act, 2013.

**3. Stock options**

The Independent Directors shall not be entitled to any stock option of the Company.

**Policy review**

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of the SEBI LODR Regulations.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modifications on the policy as recommended by the Committee would be given for approval of the Board of Directors.

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

Sd/-

**Jayant Chheda**

Chairman & Managing Director

DIN: 00013206

Place: Mumbai

Date: August 01, 2024

## ANNEXURE 'C' TO THE BOARD'S REPORT

### Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2024

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

To,

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

I 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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit of the Company, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. 1. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and which are applicable to the Company:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;
  - d. 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;
  - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.
  - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the year under review.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- vi. Other Regulatory provisions/laws applicable to the Company are:-
  - a. Custom Act 1962
  - b. Foreign Trade Policy 2015-2020
  - c. Excise laws and Other State Vat Laws applicable
  - d. Labour Laws and other incidental laws related to labour and employees
  - e. Shop and Establishment Act & Rules (State wise)

- f. Acts prescribed under prevention and control of pollution and environmental protection

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India

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

I further report & confirm that the company has maintained Structured Digital Database in compliance with the Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition Of Insider Trading) Regulations, 2015 for the year ended 31.03.2024.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of

the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

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

#### FOR SANJAY DHOLAKIA & ASSOCIATES

**SANJAY R DHOLAKIA**

**Practicing Company Secretary**

Proprietor

Membership No.: FCS 2655

CP No.: 1798

Peer Reviewed Firm No. 2036/2022

Date: August 01, 2024

Place: Mumbai

UDIN: F002655F000868773

**ANNEXURE A**

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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, I 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 the Corporate and other applicable laws, rules, regulations and norms is the responsibility of management. My 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**  
**Practicing Company Secretary**  
Proprietor

Membership No.: FCS 2655

CP No.: 1798

Peer Reviewed Firm No. 2036/2022

Date: August 01, 2024

Place: Mumbai

UDIN: F002655F000868773

## ANNEXURE 'D' 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. 2023-24

Measures taken include:

- Continuously monitoring of energy parameters like load factor, maximum demand etc.
- Introducing energy efficient equipment by replacing the conventional equipment. (Energy efficient pumps, motors, vfd, servo, LED lights)
- Introduced multi cavity moulds & high output production equipment to improve energy efficiency
- KPI (Key Performance Indicators) monitoring of unit / kg every month to create awareness and to keep focus on it.
- Energy audit through independent agency (TUV Rheinland) for ISO50001:2018 (for all our plants located at Athal, Dadra, Haridwar, Chennai, Jaipur, Kolhapur, Sangareddy & Corporate Office-Mumbai)
- Utilization of renewable energy by using
  1. third party wind energy at Chennai & Kolhapur plant
  2. solar energy at Athal, Dadra, Haridwar, Jaipur & Sangareddy factories, through roof top solar panels
- Repair and overhauling of electrical equipment's etc.
- Reduction in emission of greenhouse gases by improving energy efficiency at all plants.
- Use of CFC free refrigerant in all our HVAC's
- 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<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|---------|-----------------------------------|----------------|------------------------------|------------------------------|
| (A)     | <b>Power and Fuel Consumption</b> |                |                              |                              |
| 1       | <b>Electricity</b>                |                |                              |                              |
| A       | <b>Purchased</b>                  |                |                              |                              |
|         | Total Units                       | KWH            | 7,66,35,530                  | 7,40,92,998                  |
|         | Total Amount                      | Rs in Millions | 586.71                       | 545.53                       |
|         | Average Rate per KWH              | ₹              | 7.66                         | 7.36                         |

| Sr. No.  | Particulars                     | Unit          | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|----------|---------------------------------|---------------|------------------------------|------------------------------|
| <b>B</b> | <b>Own Generation</b>           |               |                              |                              |
|          | Through Diesel                  | KWH           | 1,22,759                     | 1,43,892                     |
|          | Unit per Litre of Diesel        | KWH           | 2.99                         | 2.85                         |
|          | Cost/unit                       | In ₹          | 25.60                        | 32.51                        |
| <b>2</b> | <b>Furnace Oil &amp; Diesel</b> |               |                              |                              |
|          | Quantity                        | Litre         | 41,016                       | 50,458                       |
|          | Total Amount                    | ₹ in Millions | 3.14                         | 4.68                         |
|          | Average Rate unit               | ₹             | 93.32                        | 92.72                        |

**(B) Consumptions per unit of Production of Electricity**

|                | Year Ended March 31, 2024 |                          | Year Ended March 31, 2023 |                          |
|----------------|---------------------------|--------------------------|---------------------------|--------------------------|
|                | Unit (Kwh)                | Amount<br>(₹ in million) | Unit (Kwh)                | Amount<br>(₹ in million) |
| Purchased      | 7,66,35,530               | 586.71                   | 7,40,92,998               | 545.53                   |
| Own Generation | 1,22,759                  | 3.14                     | 1,43,892                  | 4.68                     |
| <b>Total</b>   | <b>7,67,58,289</b>        | <b>589.85</b>            | <b>7,42,36,890</b>        | <b>550.21</b>            |

**a. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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

(₹ in million)

| Sr. No | Particulars                                     | 2023-24  | 2022-23  |
|--------|---|----------|----------|
| 1.     | Foreign Exchange Earnings – Export at FOB value | 55.20    | 86.95    |
| 2.     | CIF Value of Imports                            | 7,062.13 | 6,456.17 |
| 3.     | Foreign Exchange Outgo                          | 15.39    | 18.56    |

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

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 01, 2024

## ANNEXURE 'E' 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 2023-24

| Name              | Designation                  | Ratio |
|-------------------|------------------------------|-------|
| Mr. Jayant Chheda | Chairman & Managing Director | 101:1 |
| Mr. Parag Chheda  | Joint Managing Director      | 84:1  |
| Mr. Vipul Chheda  | Executive Director           | 76:1  |

#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 2023-24:

| Name                 | Designation                  | %    |
|----------------------|------------------------------|------|
| Mr. Jayant Chheda    | Chairman & Managing Director | 20%  |
| Mr. Parag Chheda     | Joint Managing Director      | 20%  |
| Mr. Vipul Chheda     | Executive Director           | 20%  |
| Mr. Anand Gupta*     | Chief Financial Officer      | N.A* |
| Mr. Shyam Sharda**   | Chief Financial Officer      | 9%   |
| Mr. Shailesh Bhaskar | Company Secretary            | 16%  |

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

\*Mr. Anand Gupta was appointed as Chief Financial Officer w.e.f. November 7, 2023. His remuneration pertains to the period from the date of appointment till March 31, 2024 and accordingly is not comparable with the previous financial year.

\*\* Mr. Shyam Sharda resigned from his office as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from the closure of business hours of October 04, 2023.

- (iii) The percentage increase in the median remuneration of employees in the Financial Year: - 8%
- (iv) The number of permanent employees on the rolls of the Company: - 1,913
- (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 8.25%, while the increase in the remuneration of managerial personnel was 11.10%. 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 MANAGERIAL PERSONNEL) 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. Ashok Mehra | President & CMO | 11.99                                | BE/MMS        | 34                              | 06/04/2017                          | 28/06/1966    | 58  | Jaquar Group         | 0.001%                  |

- (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.
- (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.

## 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

Your 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

#### a. Composition and Category of Directors:

Your Company's Board of Directors comprises of Six (6) directors, of which Three (3) are Independent Directors of which One (1) is Woman Director, Three (3) are Promoter & Executive Directors. 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 Managing Director, Joint Managing Director and the Whole-time Director conducts the day-to-day Management of the Company subject to the supervision and control of the Board of Directors. 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, 2024 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. Dilip Deshpande (DIN: 08488986)           | Non- Executive Independent Directors |
| Mrs. Amisha Vora (DIN: 00089193)              |                                      |
| Mr. Rajendra Vallabhaji Gogri (DIN: 00061003) |                                      |

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).

Further, none of the Directors hold Directorship in more than seven (7) listed companies and as per declarations received, none of the directors serve as an Independent Director in more than seven (7) listed companies, across the Directorships held, including that of the company.

| 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 Director

|                     |                                 |   |   |   |   |   |
|---------------------|---------------------------------|---|---|---|---|---|
| Mrs. Amisha Vora    | 5 years w.e.f. August 10, 2023* | Prince Pipes and Fittings Limited   | 1 | 1 | 1 | 0 |
| Mr. Dilip Deshpande | 5 years w.e.f. June 29, 2022    | Prince Pipes and Fittings Limited   | 1 | 2 | 1 | 0 |
| Mr. Rajendra Gogri  | 5 years w.e.f. June 25, 2023**  | <ul style="list-style-type: none"> <li>• Prince Pipes and Fittings Limited</li> <li>• Aarti Industries Limited</li> <li>• Aarti Pharmed Labs Limited</li> </ul> | 3 | 4 | 1 | 0 |

#### Executive Directors (Promoters)

|                   |                                   |                                   |   |   |   |             |
|-------------------|-----------------------------------|-----------------------------------|---|---|---|-------------|
| Mr. Jayant Chheda | 3 years w.e.f. August 21, 2023*** | Prince Pipes and Fittings Limited | 1 | 0 | 0 | 66,52,405   |
| Mr. Parag Chheda  | 3 years w.e.f. August 21, 2023*** | Prince Pipes and Fittings Limited | 1 | 2 | 0 | 2,07,60,303 |
| Mr. Vipul Chheda  | 3 years w.e.f. August 21, 2023*** | Prince Pipes and Fittings Limited | 1 | 1 | 0 | 2,07,60,303 |

\*The Board of Directors at its meeting held on August 10, 2023, appointed Mrs. Amisha Vora as an Independent Director of the Company to hold office for five (5) consecutive years commencing from August 10, 2023 to August 09, 2028. The same was also approved by the members at its 36th Annual General Meeting held on 21st September, 2023.

\*\*The Board of Directors at its meeting held on May 25, 2023, re-appointed Mr. Rajendra Gogri as an Independent Director of the Company to hold office for the second term of five (5) consecutive years commencing from June 25, 2023 to June 24, 2028. The same was also approved by the members at its 36th Annual General Meeting held on 21st September, 2023.

\*\*\* The Board of Directors at its meeting held on August 10, 2023 re-appointed Mr. Jayant Chheda as a Chairman and Managing Director, Mr. Parag Chheda as Whole Time Director designated as a Joint Managing Director and Mr. Vipul Chheda as a Whole Time Director designated as Executive Director of the Company for the term of three (3) consecutive years commencing from August 21, 2023 up to August 20, 2026. The same was also approved by the members at its 36th Annual General Meeting held on 21st September, 2023.

b. 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. Ankur Bansal#    | ☺                                 |                            | ☺                      | ☺                  | ☺                             |                     |
| Mr. Rajendra Gogri   | ☺                                 | ☺                          | ☺                      | ☺                  | ☺                             | ☺                   |
| Mrs. Amisha Vora     | ☺                                 |                            | ☺                      | ☺                  | ☺                             |                     |
| Mr. Dilip Deshpande* | ☺                                 | ☺                          |                        | ☺                  | ☺                             | ☺                   |

\* Mr. Dilip Deshpande, Independent Director, ceased to be the Director of the company, consequent to his resignation w.e.f May 18, 2024.

# The Board of Directors at its meeting held on May 16, 2024, appointed Mr. Ankur Bansal as an Independent Director of the Company to hold office for five (5) consecutive years commencing from May 16, 2024 to May 15, 2029. The same was also approved by the members of the company, with a requisite majority, by way of a resolution passed through Postal Ballot on July 07, 2024.

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.

c. Profile of the Board of Directors

The profiles of the Directors of the Company as on March 31, 2024 are as under:

**Mr. Jayant Chheda**

**Founder, Chairman and Managing Director (CMD)**

Mr. Jayant Chheda, aged 78 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director. He has 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 53 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 28 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 49 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 27 years of experience in the piping industry.

**Mr. Rajendra Gogri**

**Independent Director**

Mr. Rajendra Gogri aged 64 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. Dilip Deshpande**  
**Independent Director**

Mr. Dilip Deshpande, aged 72 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.

**Mrs. Amisha Vora**  
**Independent Director**

Mrs. Amisha Vora, aged 58 years, is an Independent Director of our Company. She was appointed to our Board on August 10, 2023. She is a Chartered Accountant by qualification and an equity market expert by profession, with an experience spanning over 35 years. She is a member of the CII Capital Markets Committee since last 5 years and a board member of the Association of Portfolio Managers of India (APMI). Mrs. Vora has also won prestigious awards, including the Rashtriya Udyog Ratan Award for Corporate Leadership and Annual Impact Creator Award by the Governor's office & Government of Maharashtra in 2021.

**d. 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](http://www.princepipes.com).

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.

**e. Separate Meeting of Independent Directors:**

During the year under review, the Independent Directors met on March 20, 2024, inter alia 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, quantity 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

**f. Familiarization Program:**

The Familiarization Program for Independent Directors is uploaded on the website of the Company and is accessible at [www.princepipes.com](http://www.princepipes.com).

**g. Board meetings, Committee meetings and Procedures:**

The Company complies with the requisite procedures mandated for conducting Board Meeting(s) as applicable to the Company in terms of the provisions of Secretarial Standard-1 and Companies Act, 2013.

**i. 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.

Further, the information as required under Schedule II Part A of the Listing Regulations 17(7) is made available to the Board. The Board also reviews, on a quarterly basis, the declaration made by the CFO and the Managing Director of the Company regarding compliance with all applicable laws. The Managing Director and CFO have certified to the Board, inter-alia, the accuracy of financial statements and

adequacy of internal controls for the financial reporting, in accordance with Regulation 17(8) read with Part B of Schedule II of Listing Regulations, for the financial year ended March 31, 2024. In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events taking place with the Company and approvals obtained, whenever necessary.

The Company has not entered into any materially significant transactions, during the year under review with any of the Promoters, Directors, and Senior Management Personnel etc. other than the transactions, if any, entered into in the ordinary course of Company's business and at arm's length basis.

#### ii. 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.

#### iii. 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.

#### iv. 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.

#### v. 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 Five (5) times during the financial year 2023-24. The necessary quorum was present for all the meetings. The dates on which the Board Meetings were held are as follows:

May 25, 2023; August 10, 2023; November 7, 2023, February 5, 2024, and on March 20, 2024.

The attendance of the Directors at the Board Meetings and at the last Annual General Meeting during the Financial Year 2023-24 is given below:

#### Board Attendance

| Name of Directors   | Category of Directorship                       | Held during the tenure | Attended | AGM attended held on September 21, 2023 |
|---------------------|--|------------------------|----------|---|
| Mr. Jayant Chheda   | Promoter/ Executive Chairman/Managing Director | 5                      | 5        | YES                                     |
| Mr. Parag Chheda    | Promoter/ Joint Managing Director              | 5                      | 5        | YES                                     |
| Mr. Vipul Chheda    | Promoter/ Executive Director                   | 5                      | 5        | YES                                     |
| Mr. Ramesh Chandak  | Independent / Non-Executive Director           | 2                      | 2        | N. A                                    |
| Mrs. Uma Mandavgane | Independent / Non-Executive Director           | 2                      | 2        | N. A                                    |
| Mr. Dilip Deshpande | Independent / Non-Executive Director           | 5                      | 5        | YES                                     |
| Mr. Rajendra Gogri  | Independent / Non-Executive Director           | 5                      | 5        | NO                                      |
| Mrs. Amisha Vora    | Independent / Non-Executive Director           | 3                      | 3        | YES                                     |

**h. Directors appointed/resigned/retired during the year ended March 31, 2024:**

- i. Mr. Ramesh Chandak & Mrs. Uma Mandavgane, Independent Directors, retired as members of the Board of Directors on completion of their second term as independent director effective September 15, 2023.
- ii. Mrs. Amisha Vora, (DIN: 00089193), has been appointed as a Non- Executive Independent Director on the Board of the Company with effect from August 10, 2023 for a consecutive period of Five (5) years.

**i. 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.

**j. 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, 2024. A Certificate duly signed by the Managing Director, on the compliance with the Code of Conduct is annexed to this Report as **Annexure A**.

The said Policy is available on the website of the company at [www.princepipes.com](http://www.princepipes.com).

**k. 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](http://www.princepipes.com).

**l. 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**

**a. Audit Committee:**

The Audit Committee was constituted by a resolution of the Board dated September 16, 2017, reconstituted on June 29, 2019, May 19, 2022, August 10, 2023, and on May 16, 2024 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) 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 © 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 issue or rights issue or preferential issue or qualified institutions placement 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 utilized for purposes other than those stated in the offer document/prospectus/notice.

**As on date, the composition of the Audit Committee is as under: -**

| Name of the Directors | Position | Category                             |
|-----------------------|----------|--------------------------------------|
| Mrs. Amisha Vora      | Chairman | Independent / Non-Executive Director |
| Mr. Ankur Bansal      | Member   | Independent / Non-Executive Director |
| Mr. Rajendra Gogri    | Member   | Independent / Non-Executive Director |
| Mr. Parag Chheda      | Member   | Promoter/ Joint Managing Director    |

The Composition of the Audit Committee and details of meetings attended by its members during the Financial Year 2023-24 is given below:

The Audit Committee met Four (4) times during the Financial Year 2023-24 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:

May 25, 2023; August 10, 2023; November 7, 2023, and February 5, 2024.

#### **Audit Committee Meeting Attendance**

| Name of the Directors | Position | Category                             | Held during the tenure | Attended |
|-----------------------|----------|--------------------------------------|------------------------|----------|
| Mrs. Amisha Vora      | Chairman | Independent / Non-Executive Director | 2                      | 2        |
| Mr. Rajendra Gogri    | Member   | Independent / Non-Executive Director | 4                      | 4        |
| Mr. Dilip Deshpande   | Member   | Independent / Non-Executive Director | 2                      | 2        |
| Mr. Parag Chheda      | Member   | Promoter/ Joint Managing Director    | 4                      | 4        |
| Mr. Ramesh Chandak    | Chairman | Independent / Non-Executive Director | 2                      | 2        |
| Mrs. Uma Mandavgane   | Member   | Independent / Non-Executive Director | 2                      | 2        |

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

There has been no instance where the Board of Directors of the Company had not accepted any recommendation of the Audit Committee.

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the meetings of the Audit Committee upon invitation.

#### **b. Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee was constituted by a resolution of Board dated September 16, 2017, reconstituted on June 6, 2018, May 19, 2022, August 10, 2023 and on May 16, 2024, 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) 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.
    - (vi) 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.
    - (vii) 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.

**As on date, the composition of Nomination and Remuneration Committee is as under: -**

| Name of the Directors | Position | Category                             |
|-----------------------|----------|--------------------------------------|
| Mr. Rajendra Gogri    | Chairman | Independent / Non-Executive Director |
| Mrs. Amisha Vora      | Member   | Independent / Non-Executive Director |
| Mr. Ankur Bansal      | Member   | Independent / Non-Executive Director |

**The Composition of the Nomination and Remuneration Committee and details of meetings attended by its members during the Financial Year 2023-24 is given below:**

The Nomination and Remuneration Committee met Three (3) times during the Financial Year 2023-24. The necessary quorum was present for all the Meetings. The Nomination and Remuneration Committee Meetings were held as follows:

May 25, 2023; August 10, 2023, and on November 07, 2023.

#### **Nomination and Remuneration Committee Attendance**

| Name of the Directors | Position | Category                             | Held during the tenure | Attended |
|-----------------------|----------|--------------------------------------|------------------------|----------|
| Mr. Rajendra Gogri    | Chairman | Independent / Non-Executive Director | 3                      | 3        |
| Mr. Dilip Deshpande   | Member   | Independent / Non-Executive Director | 3                      | 3        |
| Mrs. Amisha Vora      | Member   | Independent / Non-Executive Director | 1                      | 1        |
| Mr. Ramesh Chandak    | Member   | Independent / Non-Executive Director | 2                      | 2        |
| Mrs. Uma Mandavgane   | 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 (₹)  | 34.93                       | 30.78            | 27.70            |
| Commission        | 17.33                       | 17.33            | 17.33            |
| Incentives        | -                           | -                | -                |
| <b>Total</b>      | <b>52.26</b>                | <b>48.11</b>     | <b>45.03</b>     |
| Date of Agreement | August 30, 2023             | August 30, 2023  | August 30, 2023  |
| 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 2023-24.

| Name of Independent Director | Sitting Fees (₹ in million) |
|------------------------------|-----------------------------|
| Mr. Ramesh Chandak           | 0.50                        |
| Mrs. Uma Mandavgane          | 0.55                        |
| Mrs. Amisha Vora             | 0.65                        |
| Mr. Dilip Deshpande          | 1.05                        |
| Mr. Rajendra Gogri           | 0.95                        |

#### c. 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, on May 19, 2022 on August 10, 2023 and on May 16, 2024, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

#### 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.

The Composition of the Stakeholders' Relationship Committee and details of meetings attended by its members during the financial year 2023-24 is given below:

As on date, the composition of Stakeholders' Relationship Committee is as under: -

| Names of Director | Position | Category                             |
|-------------------|----------|--------------------------------------|
| Mr. Ankur Bansal  | Chairman | Independent / Non-Executive Director |
| Mr. Parag Chheda  | Member   | Promoter/ Joint Managing Director    |
| Mr. Vipul Chheda  | Member   | Promoter/ Executive Director         |

The Stakeholders' Relationship Committee met one (1) time during the Financial Year 2023-24 on February 5, 2024. The necessary quorum was present for all the Meetings.

#### d. Stakeholders' Relationship Committee Meeting Attendance

| Names of Director   | Position | Category                             | No. of Meetings held during tenure | No. of Meetings attended |
|---------------------|----------|--------------------------------------|------------------------------------|--------------------------|
| Mr. Dilip Deshpande | 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                        |

#### Name, Designation and address of Compliance Officer:

**Name:** Mr. Shailesh Bhaskar

**Designation:** 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, 2024, are as under:

| Particulars                  | No. of complaint |
|------------------------------|------------------|
| Received during the year     | 2                |
| Resolved during the year     | 2                |
| Pending as at March 31, 2024 | 0                |

#### e. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility Committee was constituted by a resolution of the Board dated September 16, 2017, reconstituted on August 10, 2023, and on May 16, 2024, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

#### 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.
- Business Responsibility and Sustainability Report (BRSR)

As on date, the composition of Corporate Social Responsibility (CSR) Committee is as under: -

| Names of Director | Position | Category  |
|-------------------|----------|---|
| Mr. Jayant Chheda | Chairman | Promoter/ Executive Chairman/ Managing Director |
| Mr. Parag Chheda  | Member   | Promoter/ Joint Managing Director               |
| Mrs. Amisha Vora  | Member   | Independent / Non-Executive Director            |
| Mr. Ankur Bansal  | Member   | Independent / Non-Executive Director            |

**Composition and Attendance of the members of the CSR Committee:**

The Corporate Social Responsibility Committee met Four (4) times during the Financial Year 2023-24. The necessary quorum was present for all the Meetings. The Corporate Social Responsibility Committee Meetings were held as follows:

May 25, 2023; August 10, 2023; November 7, 2023, and February 5, 2024.

The Composition of the Corporate Social Responsibility Committee and details of meetings attended by its members during the Financial Year 2023-24 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 | 4                                      | 4                        |
| Mr. Parag Chheda    | Member   | Promoter/ Joint Managing Director               | 4                                      | 4                        |
| Mrs. Amisha Vora    | Member   | Independent / Non-Executive Director            | 2                                      | 2                        |
| Mr. Dilip Deshpande | Member   | Independent / Non-Executive Director            | 2                                      | 2                        |
| Mrs. Uma Mandavgane | Member   | Independent / Non-Executive Director            | 2                                      | 2                        |

**f. Finance Committee**

The Finance Committee was constituted by a resolution of the Board dated September 16, 2017, and reconstituted on November 07, 2023.

**Scope and Terms of Reference:**

- To avail new facility from any bank upto ₹ 25 crores 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 Two (2) times. The necessary quorum was present for all the Meetings.

The Finance Committee Meetings were held as follows:

April 11, 2023 & December 30, 2023.

### Finance Committee Meeting Attendance

| Name of the Directors | Position | Category                                       | Held during the tenure | Attended |
|-----------------------|----------|--|------------------------|----------|
| Mr. Jayant Chheda     | Member   | Promoter/ Executive Chairman/Managing Director | 2                      | 2        |
| Mr. Parag Chheda      | Member   | Promoter/ Joint Managing Director              | 2                      | 2        |
| Mr. Vipul Chheda      | Member   | Promoter/ Executive Director                   | 2                      | 2        |

#### g. 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 and reconstituted on May 19, 2022, on August 10, 2023, on November 07, 2023 and on May 16, 2024 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 with the following members of the Board and Company:

1. Mr. Ankur Bansal (Independent Director) – Chairperson
2. Mrs. Amisha Vora (Independent Director) - Member
3. Mr. Parag Chheda (Executive Director) – Member
4. Mr. Anand Gupta (CFO) - Member.
- 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;
- 8) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee. The Risk Management Committee will perform its functions under the overall supervision of the Board of Directors of the Company and not more than 180 days shall elapse between two consecutive meetings;
- 9) Cyber Security.

#### 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 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) in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee. which will have impact on the business of the Company;

#### Composition and Attendance of the members of the Risk Management Committee:

The Risk Management Committee met two (2) times during the Financial Year 2023-24. The necessary quorum was present for all the Meetings. The Risk Management Committee Meetings were held as follows:

June 26, 2023, and December 13, 2023.

The Composition of the Risk Management Committee and details of meetings attended by its members during the financial year 2023-24 is given below:

| Name of the Directors | Position | Category                             | Held during the tenure | Attended |
|-----------------------|----------|--------------------------------------|------------------------|----------|
| Mr. Dilip Deshpande   | Chairman | Independent / Non-Executive Director | 2                      | 2        |
| Mrs. Amisha Vora      | Member   | Independent / Non-Executive Director | 1                      | 1        |
| Mr. Ramesh Chandak    | Member   | Independent / Non-Executive Director | 1                      | 1        |
| Mr. Parag Chheda      | Member   | Promoter/ Joint Managing Director    | 2                      | 2        |
| Mr. Anand Gupta       | Member   | Chief Financial Officer              | 1                      | 1        |
| Mr. Shyam Sharda      | Member   | Chief Financial Officer              | 1                      | 1        |

#### 4. CEO/ CFO CERTIFICATION

Mr. Jayant Chheda, Chairman and Managing Director & Mr. Anand Gupta, 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 16, 2024.

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

#### 5. Particulars of Senior Management including the changes therein since the close of FY 23-24:

The following personnel's are the senior management of the Company:

| Names                | Designation                         | Changes at the close of Financial Year 2024 |
|----------------------|-------------------------------------|---|
| Mrs. Heena Chheda    | President - Human Resource          | No change                                   |
| Mr. Ashok Mehra      | President – Chief Marketing Officer | No change                                   |
| Mr. Nihar Chheda     | Vice President - Strategy           | No change                                   |
| Mr. Shailesh Bhaskar | Company Secretary                   | No change                                   |
| Mr. Shyam Sharda     | Chief Financial Officer             | Resigned w.e.f 04.10.23                     |
| Mr. Anand Gupta      | Chief Financial Officer             | Appointed w.e.f. 07.11.23                   |
| Mr. Prakash Hegde    | Chief Human Resource Officer        | Resigned w.e.f 03.10.23                     |
| Mr. Ajay Kumar       | Chief Human Resource Officer        | Appointed w.e.f. 07.11.23                   |

#### 6. GENERAL BODY MEETING:

Details of Last Three Annual General Meetings (AGM):

| Particulars | FY 2020-21   | FY 2021-22   | FY 2022-23   |
|-------------|--|--|--|
| Date        | September 15, 2021   | September 21, 2022   | September 21, 2023   |
| Time        | 11:30 AM   | 11:30 AM   | 11:30 AM   |
| Venue       | Through Video Conferencing (VC)/ other Audio-Visual means (OAVM) | Through Video Conferencing (VC)/ other Audio-Visual means (OAVM) | Through Video Conferencing (VC)/ other Audio-Visual means (OAVM) |

| Particulars         | FY 2020-21 | FY 2021-22  | FY 2022-23   |
|---------------------|------------|---|--|
| Special Resolutions | Nil        | (i) To Re-appoint Mr. Dilip Deshpande(DIN:08488986) as an Independent Director of the Company.<br>(ii) Alteration of the Memorandum of Association of the Company | (i) To Re-appoint Mr. Jayant Chheda (DIN: 00013206) as a Chairman and Managing Director of the Company and approval of his remuneration.<br>(ii) To Re-appoint Mr. Parag Chheda (DIN: 00013222) as a Whole Time Director designated as a Joint Managing Director of the Company and approval of his remuneration.                |
|                     |            |   | (iii) To Re-appoint Mr. Vipul Chheda (DIN: 00013234) as a Whole Time Director of the Company and approval of his remuneration.<br>(iv) To Re-appoint Mr. Rajendra Gogri (DIN: 00061003) as an Independent Director of the Company.<br>(v) To Appoint Mrs. Amisha Vora (DIN: 00089193) as an Independent Director of the Company. |

#### Extra Ordinary General Meeting:

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

#### Postal Ballot

The Company has not passed any Special Resolution through postal ballot during the Financial Year 2023-24.

## 7. 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](http://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.

#### Green Initiative:

The Ministry of Corporate Affairs ("MCA") had taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies through electronic mode. The Act and the Listing Regulations have also allowed the Company to serve notice/documents/Annual Report to its shareholders through electronic mode.

The Company whole-heartedly appreciates this initiative

taken by MCA, being an ardent supporter of pro-environment causes. Not only will such a move benefit the environment but it will also enhance shareholder experience by enabling the Company to deliver communications promptly and securely and avoid losses/delays in postal transit. It is a step in the right direction being efficient both, economically and ergonomically.

As a part of this, the Company is sending notices/documents such as Annual Reports and notices by e-mail to the members who have registered their e-mail addresses. To support this credible move of the Government, the members who have not registered their e-mail addresses requested to do so at the earliest, in respect of Demat holding through their respective Depository Participant (DP) and in respect of physical holding through the RTA.

We wish to inform our members that in addition to receiving the documents through your registered e-mail, you can also access the same through the Company's website: [www.princepipes.com](http://www.princepipes.com). While every notice/document will be sent through e-mail address registered with the Company, in case you desire to receive any notice/document in physical form, please intimate the same by an e-mail to [investor@princepipes.com](mailto:investor@princepipes.com) and the same shall be sent to your address registered with the Company/DP. We solicit your patronage and support in joining hands with the Company to implement the Green Initiative.

## 8. GENERAL SHAREHOLDER INFORMATION:

| Financial Calendar  | April 01, 2023 – March 31, 2024   |  |
|---|---|--|
| Date of the Board Meeting at which the final accounts were approved | May 16, 2024  |  |
| 37th Annual General Meeting   | Date:   | September 11, 2024   |
|   | 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  | September 05, 2024 to September 11, 2024  |  |
| Listing on Stock Exchanges  | <b>BSE Limited</b><br>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001<br><b>The National Stock Exchange of India Ltd.</b><br>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                                | <b>Mr. Shailesh Bhaskar</b><br>Company Secretary & Compliance Officer<br>8th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar West, Mumbai – 400 028<br>Tel: 022 – 6602 2222 Fax: 022 – 6602 2220<br>Email id: investor@princepipes.com Website: www.princepipes.com |  |
| Address of the Registrars & Share Transfer Agents of the Bank       | <b>Link Intime India Private Limited</b><br>C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,<br>Vikhroli (West) Mumbai – 400 083, Tel: 022 49186000 Fax: 022 49186060<br>Email id: rnt.helpdesk@linkintime.co.in   |  |

### Financial Calendar (Tentative):

|   |   |
|---|---|
| Unaudited Financial Result for the first quarter ending June 30, 2024       | On or before August 14, 2024  |
| Unaudited Financial Result for the second quarter ending September 30, 2024 | On or before November 14, 2024  |
| Unaudited Financial Result for the third quarter ending December 31, 2024   | On or before February 14, 2025  |
| Audited Financial Result for the year ending March 31, 2025                 | Within 60 days of the close of financial Year ending on March 31, 2025 i.e. On or before May 30, 2025 |

### Dividend Payment:

Your Directors have recommended Final dividend of ₹ 1.0 /- (Rupees One Only) (at the rate of 10 percent) per share for financial year 2023-2024 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](http://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 [www.princepipes.com](http://www.princepipes.com).

#### Payment of Listing Fees:

The Company has paid the Annual Listing Fees to both the Stock Exchanges for the Financial Year 2023-2024 within the stipulated time.

#### Payment of Depository Fees:

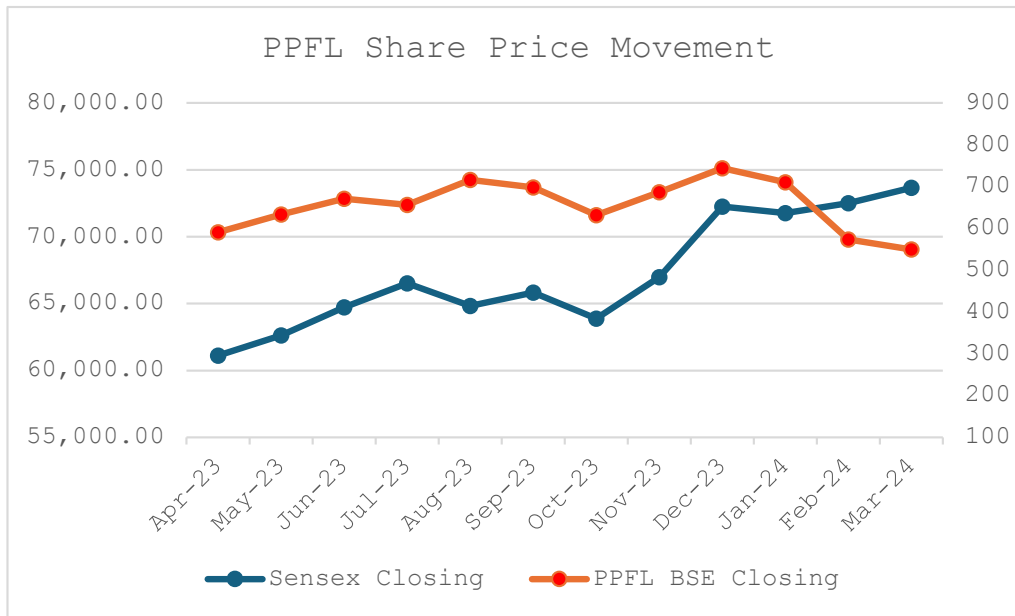
The Company has paid annual custodial fees to National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') for the Financial Year 2023-24 on the basis of the number of beneficiary accounts maintained by the respective depositories as on March 31, 2024.

#### Stock Market Price Data of Company's shares

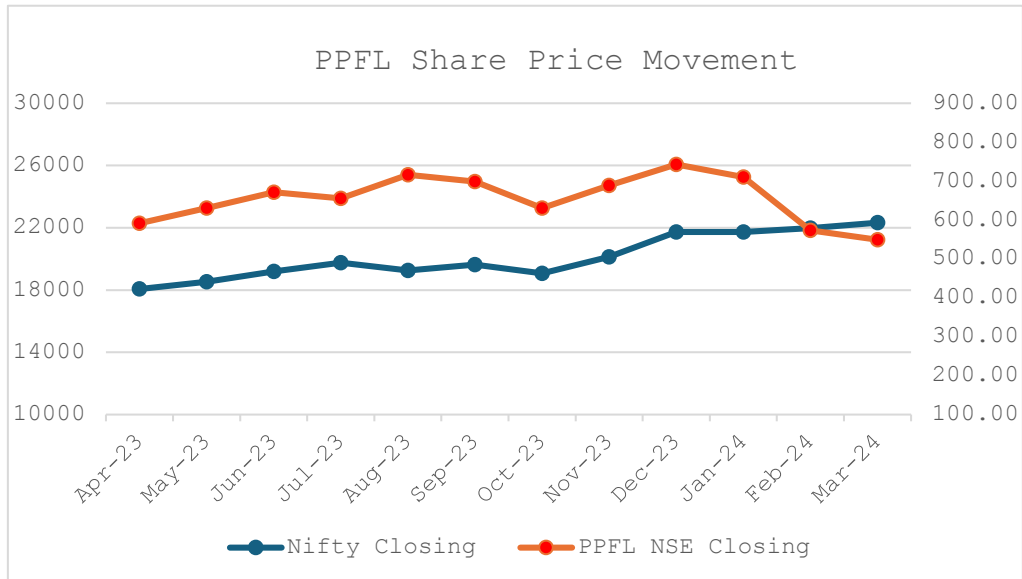
The Company's shares were listed on the exchanges w.e.f December 30, 2019. The monthly high and low price of the Company's shares traded on the BSE Limited and National Stock Exchange of India Limited during the period April 01, 2023 to March 31, 2024 are as under:

| BSE    |        |        |        | NSE    |        |        |        |
|--------|--------|--------|--------|--------|--------|--------|--------|
| Month  | High   | Low    | Close  | Month  | High   | Low    | Close  |
| Apr-23 | 625.05 | 542.1  | 590.85 | Apr-23 | 625.00 | 546.70 | 591.55 |
| May-23 | 663.9  | 564.75 | 633.3  | May-23 | 663.40 | 564.60 | 630.55 |
| Jun-23 | 695.05 | 628.5  | 671.25 | Jun-23 | 695.70 | 628.80 | 671.25 |
| Jul-23 | 677.15 | 619.2  | 655.85 | Jul-23 | 676.95 | 621.10 | 655.20 |
| Aug-23 | 724.3  | 647.7  | 715.7  | Aug-23 | 723.65 | 648.00 | 716.45 |
| Sep-23 | 759.5  | 685    | 697.8  | Sep-23 | 760.00 | 685.30 | 698.75 |
| Oct-23 | 728.65 | 613.3  | 631.25 | Oct-23 | 738.45 | 613.30 | 630.25 |
| Nov-23 | 749    | 609    | 686.7  | Nov-23 | 750.20 | 614.05 | 689.10 |
| Dec-23 | 769.7  | 675    | 743.9  | Dec-23 | 770.00 | 675.55 | 742.75 |
| Jan-24 | 775.75 | 669.8  | 709.8  | Jan-24 | 776.00 | 670.05 | 710.60 |
| Feb-24 | 728.95 | 572.35 | 573.75 | Feb-24 | 729.85 | 572.00 | 573.45 |
| Mar-24 | 583.05 | 521.55 | 549.45 | Mar-24 | 584    | 521.35 | 549.25 |

**Performance of the Company's equity shares relative to BSE Sensex from April 2023 and up to March 2024**



**Performance of the Company's equity shares relative to NSE Nifty 50 from April 2023 and up to March 2024**



**Share Transfer System:**

The shares of the Company are traded on the Stock Exchanges through the Depository System. All requests received by the Company/ RTA are disposed of expeditiously.

## Shareholding pattern as on March 31, 2024:

| Sr No | Category of shareholders                          | No of Shareholders | No of Shares     | % of Shareholding |
|-------|---|--------------------|------------------|-------------------|
| (A)   | Shareholding of Promoter and Promoter Group       | 12                 | 67379075         | 60.94             |
| (B)   | Public Shareholding                               |                    |                  |                   |
| [1]   | Institutional Investors                           |                    |                  |                   |
| (a)   | Mutual Funds / UTI                                | 12                 | 17243407         | 15.60             |
| (b)   | Alternate Investment Funds II                     | 2                  | 2634926          | 2.38              |
| (c)   | Foreign Portfolio Investor                        | 71                 | 5698134          | 5.15              |
| (d)   | Financial Institutions / Banks                    | 2                  | 1001             | 0.00              |
| (e)   | Insurance Companies                               | 5                  | 608395           | 0.55              |
| (f)   | Any Other (Specify)                               | 0                  | 0                | 0.00              |
|       | <b>Sub Total (B)(1)</b>                           | <b>92</b>          | <b>26185863</b>  | <b>23.68</b>      |
| [2]   | Non-Institutional Investors                       |                    |                  |                   |
| (a)   | Individuals                                       | 201247             | 15482380         | 14.00             |
| (b)   | Trusts  | 3                  | 300              | 0.00              |
| (c)   | Hindu Undivided Family                            | 1475               | 335167           | 0.30              |
| (d)   | Key Managerial Personnel                          | 0                  | 0                | 0.00              |
| (e)   | Trust Employee                                    | 1                  | 2                | 0.00              |
| (f)   | Non Resident Indians                              | 2370               | 540244           | 0.49              |
| (g)   | Body Corp-Ltd Liability Partnership               | 23                 | 352528           | 0.32              |
| (h)   | Clearing Member                                   | 2                  | 26665            | 0.02              |
| (i)   | Bodies Corporate                                  | 235                | 258855           | 0.23              |
| (j)   | Any Other (Specify)                               | 0                  | 0                | 0.00              |
|       | <b>Sub Total (B)(2)</b>                           | <b>205356</b>      | <b>16996141</b>  | <b>15.37</b>      |
|       | <b>Total Public Shareholding(B)=(B)(1)+(B)(2)</b> | <b>205448</b>      | <b>43182004</b>  | <b>39.06</b>      |
|       | <b>Total (A)+(B)</b>                              | <b>205460</b>      | <b>110561079</b> | <b>100.00</b>     |

## Distribution of Shareholding as on March 31, 2024:

| SERIAL # | SHARES RANGE |    |       | NUMBER OF SHAREHOLDERS | % OF TOTAL SHAREHOLDERS | TOTAL SHARES FOR THE RANGE | % OF ISSUED CAPITAL |
|----------|--------------|----|-------|------------------------|-------------------------|----------------------------|---------------------|
| 1        | 1            | to | 500   | 206876                 | 98.7089                 | 8373681                    | 7.5738              |
| 2        | 501          | to | 1000  | 1458                   | 0.6957                  | 1100385                    | 0.9953              |
| 3        | 1001         | to | 2000  | 671                    | 0.3202                  | 959980                     | 0.8683              |
| 4        | 2001         | to | 3000  | 200                    | 0.0954                  | 500042                     | 0.4523              |
| 5        | 3001         | to | 4000  | 76                     | 0.0363                  | 268227                     | 0.2426              |
| 6        | 4001         | to | 5000  | 52                     | 0.0248                  | 242229                     | 0.2191              |
| 7        | 5001         | to | 10000 | 99                     | 0.0472                  | 732006                     | 0.6621              |
| 8        | 10001        | to | ***** | 150                    | 0.0716                  | 98384529                   | 88.9866             |
|          | <b>Total</b> |    |       | <b>209582</b>          | <b>100.0000</b>         | <b>110561079</b>           | <b>100.0000</b>     |

**Lock-in of Equity Shares:**

As on March 31, 2024, no shares of the company were under lock in.

**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, 2024, 100% of company's shares were held in demat mode as per the statement given below.

| Category     | No of Shares     | % of Holding  |
|--------------|------------------|---------------|
| NSDL         | 98854535         | 89.41         |
| CDSL         | 11706544         | 10.59         |
| <b>Total</b> | <b>110561079</b> | <b>100.00</b> |

**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 2023-24, 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 2023, September 2023, December 2023 and March 2024 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, 2024, 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. 32B titled as "Financial Risk Management Objectives (Ind AS 107)" of the Financial Results as annexed to this Annual Report. The Company seeks to minimize the effects of adverse exchange rate fluctuations on the financial positions of the Company by closely monitoring the Foreign Exchange Exposure and taking the adequate measures when needed.

**Plant Locations**

| Plant                        | Address  |
|------------------------------|--|
| Athal (Dadra & Nagar Haveli) | Survey No. 132/1/1/3, Athal road, Village Athal, Naroli, 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, Khasara no.1548/49-4 and 5, salempur,2 Bahadrad, 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- 600067           |
| 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 details of credit ratings obtained from CRISIL Ratings Ltd are as under:

|                                  |   |
|----------------------------------|---|
| Total Bank Loan Facilities Rated | ₹ 768 Crore (Enhanced from ₹ 668 Crore) |
| Long Term Rating                 | CRISIL A+/Stable (Reaffirmed)           |
| Short Term Rating                | CRISIL A1+ (Reaffirmed)                 |

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

## 10. Other Disclosures

### Investor Relations

Investor Relations (IR) at Prince acts as the touchpoint for the Investor Community whereby information relating to the Company is disseminated uniformly and widely. This helps the investor Community to access a seamless channel of communication of the Company's business activities, strategy and prospects and allows them to make an informed judgement about the Company. The interactions with investor community also helps the Company garner invaluable inputs and feedback which are given due consideration and factored into plans and strategies. The Company continues to interact with all types of funds and investors to ensure a diversified shareholder base in terms of geographical location, investment strategy and investment horizon. The company follows all regulatory guidelines while disseminating the information. In order to ensure accurate, transparent and timely information flow, the IR department holds the following activities:

- Provides detailed updates on the Company's performance on the stock exchanges immediately after the release of quarterly results
- Post quarterly results, an Investor Conference call is held where all members of the financial Community are invited to participate in the Q&A session with the Company's Management. The key highlights are discussed, and Investor/ analyst queries are addressed in this forum. A transcript of the same is provided on the Company's website for the benefit of those who could not attend the call.
- Meetings with investors to brief them about the Company's ongoing performance/ initiatives and respond to their queries and concerns.
- The Company's Executives participate in investor

meetings including conferences organized by leading institutional brokerage houses.

All historical and latest information updates are promptly available on the 'Investor' section of the Company's website for reference. Information and presentations on investor meets / conferences is uploaded on the website and sent to Stock exchanges before undertaking such meets.

### 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](http://www.princepipes.com).

### Details of Compliance:

The Company is in compliance with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 of the Listing Regulations.

As per Regulation 34(3) read with Schedule V of the Listing Regulations the Company has obtained a certificate from M/s. Sanjay Dholakia & Associates, Company Secretaries in Practice, confirming the compliance with the mandatory requirement of the Listing Regulations and the same is annexed to this Report.

### Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of 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 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](http://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](http://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](http://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, 2024, 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<br>(₹ in Million) |
|----------------------------------|--------------------------|
| Statutory Audit/Limited review   | 3.85                     |
| Tax Audit Fees                   | 0.47                     |
| Others (including certification) | 0.14                     |
| <b>Total</b>                     | <b>4.46</b>              |

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

##### The Board:

As on financial year ending March 31, 2024, 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 – Economic Times, Financial Express and Tarun Bharat, as the case may be and are also 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.

#### Details of Compliance with Mandatory Requirement:

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's website at [www.princepipes.com](http://www.princepipes.com) and have complied with the said regulations.

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

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

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

Sd/-

**Jayant Chheda**

Chairman & Managing Director

(DIN: 00013206)

**Date: August 01, 2024**

**Place: Mumbai**

## ANNEXURE A

## DECLARATION ON CODE OF CONDUCT

This is to confirm that the Company has adopted 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. <https://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, 2024, as envisaged in Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**Jayant S. Chheda**  
Chairman & Managing Director  
(DIN: 00013206)

Date: August 01, 2024  
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 Anand Gupta, Chief Financial Officer hereby certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 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: August 01, 2024

**Jayant S. Chheda**  
Chairman and Managing Director  
(DIN: 00013206)

**Anand Gupta**  
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 disclosures received from the Directors (as enlisted in Table A) 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**'), 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 and 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](http://www.mca.gov.in)) as considered necessary and based on the disclosures of the Directors, I hereby certify that none of the Board of Directors (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on 31st March, 2024.

**Table A**

| Sr. No. | Name of the Directors                                    | DIN      | Date of Appointment in Company |
|---------|--|----------|--------------------------------|
| 1.      | Mr. Jayant Shamji Chheda (Managing Director)             | 00013206 | 13/11/1987                     |
| 2.      | Mr. Parag Jayant Chheda (Whole time Director)            | 00013222 | 27/04/1996                     |
| 3.      | Mr. Vipul Jayant Chheda (Whole time Director)            | 00013234 | 11/03/1997                     |
| 4.      | Mr. Rajendra Vallabhaji Gogri (Independent Director)     | 00061003 | 25/06/2020                     |
| 5.      | **Mr. Dilip Shrikrishna Deshpande (Independent Director) | 08488986 | 29/06/2019                     |
| 6.      | *Mr. Ramesh Chandak (Independent Director)               | 00026581 | 16/09/2017                     |
| 7.      | *Ms. Uma Manoj Mandavgane (Independent Director)         | 03156224 | 16/09/2017                     |
| 8.      | Mrs. Amisha Niraj Vora (Independent Director)            | 00089193 | 10/08/2023                     |

\*Note:-

\*Tenure of Mr. Ramesh Chandak and Ms. Uma Manoj Mandavgane as an Independent Directors of the Company completed w.e.f.15th September, 2023.

\*\* Mr. Dilip Deshpande resigned from the independent directorship of the company due to personal reasons w.e.f May 18, 2024.

**FOR SANJAY DHOLAKIA & ASSOCIATES**

**SANJAY R DHOLAKIA**  
Practicing Company Secretary  
Proprietor

Membership No.: FCS 2655  
CP No.: 1798  
Peer Reviewed Firm No. 2036/2022  
Date: August 01, 2024  
Place: Mumbai  
UDIN: F002655F000868731

## ANNEXURE D

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**PRINCE PIPES AND FITTINGS LIMITED**  
CIN L26932GA1987PLC006287  
GOA

I have examined the compliance of conditions of Corporate Governance **PRINCE PIPES AND FITTINGS LIMITED**, for the year ended on 31st March 2024, 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. My 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 my opinion and to the best of my information and according to the explanations given to me and the representations made by the Director and Management, I 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.

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

**FOR SANJAY DHOLAKIA & ASSOCIATES**

**SANJAY R DHOLAKIA**  
Practicing Company Secretary  
Proprietor

Membership No.: FCS 2655  
CP No.: 1798  
Peer Reviewed Firm No. 2036/2022

Date: August 01, 2024  
Place: Mumbai

UDIN: F002655F000868751

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

|     |  |   |   |
|-----|--|---|---|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity   | : | L26932GA1987PLC006287   |
| 2.  | Name of the Listed Entity  | : | PRINCE PIPES AND FITTINGS LIMITED   |
| 3.  | Year of incorporation  | : | 1987  |
| 4.  | Registered office address  | : | PLOT NO.1, HONDA INDUSTRIAL ESTATE, PHASE II, HONDA SATTARI HONDA GA 403530 IN  |
| 5.  | Corporate address  | : | The Ruby, 8th Floor, 29, Senapati Bapat Marg (Tulsi Pipe Road), Dadar West, Mumbai MH 400028 IN   |
| 6.  | E-mail   | : | investor@princepipes.com  |
| 7.  | Telephone  | : | 022 – 66022222  |
| 8.  | Website  | : | www.princepipes.com   |
| 9.  | Financial year for which reporting is being done   | : | 2023-24   |
| 10. | Name of the Stock Exchange(s) where shares are listed  | : | BSE Limited<br>National Stock Exchange of India Limited   |
| 11. | Paid-up Capital  | : | Rs. 110,56,10,790/-   |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | : | Name: Shailesh K Bhaskar<br>Company Secretary & Compliance Officer<br>Email: investor@princepipes.com<br>Tel: 022-6602 2222<br>Address: 8th Floor, The Ruby, Senapati Bapat Marg, Dadar West, Mumbai – 400028 |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | : | Standalone  |
| 14. | Name of assurance provider   | : | Not Applicable for FY 2023-24   |
| 15. | Type of assurance obtained   | : | Not Applicable for FY 2023-24   |

#### II. Products/services

- Polymers processing: - CPVC (Chlorinated Polyvinyl Chloride), UPVC (Unplasticized Polyvinyl Chloride), PPR (Poly Propylene Random Copolymer), HDPE (High Density Poly Ethylene) Pipes, Fittings, Valves and LLDPE (Linear Low Density Poly Ethylene) water storage tanks, PP (Poly Propylene) and Bathware-faucets and Sanitaryware
- Application: - Potable water supply, agriculture, bore well, Drainage, water storage

The other key products of the Company include Water Tanks, Cable Ducting, DWC Pipes, Bathroom and Kitchen.

## 16. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity | Description of Business Activity  | % of Turnover of the entity |
|--------|------------------------------|-----------------------------------|-----------------------------|
| 1.     | Manufacturing                | Manufacturing of Plastic products | 95%                         |

## 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service  | NIC Code | % of total Turnover contributed |
|--------|------------------|----------|---------------------------------|
| 1.     | Plastic products | 222      | 99%                             |

III. Operations

## 18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 7                | 8                 | 15    |
| International | 0                | 0                 | 0     |

## 19. Markets served by the entity:

## a. Number of locations

| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 28     |
| Union Territories                | 8      |
| International (No. of Countries) | 13     |

## b. What is the contribution of exports as a percentage of the total turnover of the entity?

Less than 1% of overall revenues

## c. A brief on types of customers

The Customer base of our Company comprises of Government, Non-Government, Institutional, Industrial, Retail and other construction & turn key projects etc.

IV. Employees

## 20. Details as at the end of Financial Year:

## a. Employees and workers (including differently abled):

| S. No.           | Particulars                    | Total (A) | Male    |           | Female  |           |
|------------------|--------------------------------|-----------|---------|-----------|---------|-----------|
|                  |                                |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES</b> |                                |           |         |           |         |           |
| 1.               | Permanent (D)                  | 993       | 950     | 96        | 43      | 4         |
| 2.               | Other than Permanent (E)       | 70        | 64      | 91        | 6       | 9         |
| 3.               | <b>Total employees (D + E)</b> | 1063      | 1014    | 95        | 49      | 5         |
| <b>WORKERS</b>   |                                |           |         |           |         |           |
| 4.               | Permanent (F)                  | 794       | 794     | 100       | 0       | 0         |
| 5.               | Other than Permanent (G)       | 1508      | 1355    | 90        | 153     | 10        |
| 6.               | <b>Total workers (F + G)</b>   | 2302      | 2149    | 93        | 153     | 7         |

## b. Differently abled Employees and workers:

| S. No.                             | Particulars                                      | Total (A) | Male    |           | Female |           |
|------------------------------------|--|-----------|---------|-----------|--------|-----------|
|                                    |  |           | No. (B) | % (B / A) | No. ©  | % (C / A) |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |  |           |         |           |        |           |
| 1.                                 | Permanent (D)                                    | 3         | 2       | 67        | 1      | 33        |
| 2.                                 | Other than Permanent (E)                         | 0         | 0       | 0         | 0      | 0         |
| 3.                                 | <b>Total differently abled employees (D + E)</b> | 3         | 2       | 67        | 1      | 33        |
| <b>DIFFERENTLY ABLED WORKERS</b>   |  |           |         |           |        |           |
| 4.                                 | Permanent (F)                                    | 5         | 5       | 100       | 0      | 0         |
| 5.                                 | Other than Permanent (G)                         | 4         | 4       | 100       | 0      | 0         |
| 6.                                 | <b>Total differently abled workers (F + G)</b>   | 9         | 9       | 100       | 0      | 0         |

## 21. Participation/Inclusion/Representation of women

|                          | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 6         | 1                             | 16.67%    |
| Key Management Personnel | 2         | 0                             | 0%        |

## 22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

| Particulars         | FY 2023-24<br>(Turnover rate in current FY) |        |        | FY 2022-23<br>(Turnover rate in previous FY) |        |       | FY 2021-22<br>(Turnover rate in the year prior to the previous FY) |        |       |
|---------------------|---|--------|--------|--|--------|-------|--|--------|-------|
|                     | Male  | Female | Total  | Male   | Female | Total | Male   | Female | Total |
| Permanent Employees | 18.59%                                      | 17.31% | 18.54% | 17%  | 12%    | 15%   | 14%  | 0      | 14%   |
| Permanent Workers   | 16.86%                                      | 0      | 16.86% | 10%  | 0%     | 10%   | 14%  | 0      | 14%   |

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No.         | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|----------------|---|--|-----------------------------------|--|
| Not Applicable |   |  |                                   |  |

## VI. CSR Details

## 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.) – 25,687.48 million

(iii) Net worth (in Rs.) – 15,444.03 million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No)<br>(If Yes, then provide web-link for grievance redress policy) | FY 2023-24                                 |  |  | FY 2022-23                                 |  |  |
|---|---|--|--|--|--|--|--|
|   |   | Current Financial Year                     |  |  | Previous Financial Year                    |  |  |
|   |   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks                                      | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks  |
| Communities                                       | Yes<br><a href="https://www.princepipes.com/contact-us">https://www.princepipes.com/contact-us</a>              | 0  | 0  | -  | 0  | 0  | -  |
| Investors (other than shareholders)               | Yes<br><a href="https://www.princepipes.com/investor-contact">https://www.princepipes.com/investor-contact</a>  | 0  | 0  | -  | 0  | 0  | -  |
| Shareholders                                      | Yes<br><a href="https://www.princepipes.com/investor-contact">https://www.princepipes.com/investor-contact</a>  | 2  | 0  | 0  | 0  | 0  | 0  |
| Employees and workers                             | Yes<br><a href="https://www.princepipes.com/contact-us">https://www.princepipes.com/contact-us</a>              | 0  | 0  | 0  | 0  | 0  | 0  |
| Customers   | Yes<br><a href="https://www.princepipes.com/contact-us">https://www.princepipes.com/contact-us</a>              | 180  | 2  | For manufacturing, packaging & quality issue | 152  | 4  | For manufacturing, packaging, installation & quality issue |
| Value Chain Partners                              | Yes<br><a href="https://www.princepipes.com/contact-us">https://www.princepipes.com/contact-us</a>              | 0  | 0  | 0  | 0  | 0  | 0  |
| Other (please specify)                            | Yes<br><a href="https://www.princepipes.com/contact-us">https://www.princepipes.com/contact-us</a>              | 0  | 0  | 0  | 0  | 0  | 0  |

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| S. No. | Material issue identified  | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--|--|--|--|--|
| 1.     | Sustainable Energy Governance  | Opportunity                                | Harnessing the potential for direct cost savings and heightened resource efficiency, our focus on energy management and the integration of renewable energy sources stands as a strategic opportunity. By advocating renewable energy adoption and implementing the ISO 50001:2018 Energy Management System across all our facilities, we are not only committed to improving the energy efficiency of our equipment but also advancing our sustainability goals, thereby reaping both economic and environmental benefits.  | -  | Positive   |
| 2.     | Promoting Consumer Education:  | Opportunity                                | Empowering Distributors, Retailers, Plumbers, Customers, and Consumers through Comprehensive Product Awareness, Installation, and Usage Guidance, Along with Safety Education, Reflecting an Intriguing Opportunity for the Company.   | -  | Positive   |
| 3.     | Carbon Emission Abatement and Phasing Out Harmful Gases / Elimination of Lead Stabilizers: | Opportunity                                | Our Company's strategic positioning of manufacturing plants across the nation confers a distinct competitive edge, significantly curtailing transportation needs and subsequently contributing to a substantial reduction in carbon emissions and hazardous gases in the environment. A comprehensive carbon footprint reduction strategy, thoughtfully implemented across all operational sites, has consistently driven down scope 1 and 2 emissions. Anticipating and embracing the mandate of the National Green Tribunal, our Company is proactively leading the charge in phasing out Lead Stabilizers from diverse Pipe manufacturing processes. This forward-thinking approach is already evident in the integration of lead-free stabilizers across numerous piping systems, exemplifying our commitment to sustainable practices and environmental well-being. | -  | Positive   |

| S. No. | Material issue identified          | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|------------------------------------|--|---|--|--|
| 4.     | Worksite Health and Security (WHS) | Risk and Opportunity                       | Risk: Intrinsically linked with operational endeavors and procedures.<br>Opportunity: Effective internal controls and governance mechanisms are implemented across each factory. This amplifies employee and worker safety, fostering comprehensive health and well-being, ultimately resulting in enhanced productivity.   | The consistent appraisal of health and environmental perils is ingrained in our approach. Diverse tactics to counter these risks are recurrently enacted. A robust system for handling grievances is firmly instituted. Within each factory, comprehensive strategies for corrective actions are meticulously formulated and executed. | Risk: Negative<br>Opportunity: Positive  |
| 5.     | Duty towards societal welfare      | Opportunity                                | The Company recognizes the importance of building Public Trust and cultivating a compassionate rapport with society, resulting in enduring positive impacts over the long term.<br>A methodical framework has been instituted to apportion a portion of the Company's annual profits for the purpose of backing projects that meet societal responsibilities.<br>This ethos of contributing to society is intricately woven into the company's core principles.<br>The Company executes its corporate social responsibility (CSR) endeavors partially on its own and also through implementing agency.<br>For detailed insights into the Company's CSR activities, please refer to the attached CSR report within this Annual Report. The company's cognizance of the importance of upholding social responsibility is indeed a positive attribute. | -  | Positive   |

| S. No. | Material issue identified                                | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--|--|--|--|--|
| 6.     | Strategic Branding Endeavors                             | Risk                                       | The Pipe segment faces a notable threat from unscrupulous players/suppliers who are extensively flooding the market with counterfeit products, thus signifying a considerable risk.  | Vigorously engaged in seeking legal remedies to safeguard consumers from deceptive practices. Our substantial efforts have yielded significant success in mitigating this issue, although it remains a persistent challenge.   | Negative   |
| 7.     | Value Chain Governance                                   | Risk and Opportunity                       | Risk: The complex web of supply chain intricacies coupled with a concentrated reliance on a limited cohort of suppliers/vendors could introduce inherent risks that may impact the procurement process. Opportunity: Upholding strong and enduring connections with suppliers/vendors creates a competitive edge, ensuring a consistent and unbroken stream of supplies. | The Company's extensive network of suppliers/vendors, some spanning back several decades, stands as a testament to our enduring relationships. Consistent and meaningful communication with these integral partners forms a cornerstone of our efforts to maintain uninterrupted production processes. | Positive   |
| 8.     | Strategic Risk Management and Cybersecurity Preparedness | Risk                                       | The Company has a well-qualified information technology department which is staffed with adequate technical software and systems engineers. Regular evaluation of technologies is undertaken on a continuous basis to deploy latest available cyber crime defence systems to protect the Company's data and various patents including patents pending registration       | The IT head briefs the Board periodically and updates the Directors on the mitigation plans including the latest systems and softwares deployed by like-minded Companies in the industry.  | Positive   |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions  | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|--|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Policy and management processes</b>  |  |     |     |     |     |     |     |     |     |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)  | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| b. Has the policy been approved by the Board? (Yes/No)  | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| c. Web Link of the Policies, if available   | <a href="https://www.princepipes.com/investors/corporate-governance/policies">https://www.princepipes.com/investors/corporate-governance/policies</a>  |     |     |     |     |     |     |     |     |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)   | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)*<br>* These policies are applicable to the Company and to the value chain partners  | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.  | All our plants & corporate are certified for Quality Management System – QMS (ISO 9001:2015), Environmental Management System - EMS (ISO 14001:2015), Occupational Health & Safety Management Systems - OHSMS (ISO 45001:2018) and Energy Management System – EnMS (ISO 50001:2018) from TUV Rheinland, Germany<br><b>Our GREENFIT products are certified from WRAS-Water Regulations Approval Scheme UK &amp; NSF-National Sanitation Foundation USA</b><br>Apart from above most of our product categories-AQUAFIT, GREENFIT, FLOWGUARD-PLUS, ULTRAFIT, SAFEFIT, etc. are BIS certified. |     |     |     |     |     |     |     |     |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.  | Company reviews all certifications on an ongoing basis and has fixed responsibilities on officials to benchmark policies with latest regulatory requirements locally and also adopt suitable international practices.  |     |     |     |     |     |     |     |     |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.   | The Company has a defined mechanism in place and has authorized officers to review validity of the goals and targets periodically so that corrective actions or revised goals can be set.  |     |     |     |     |     |     |     |     |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)<br>The Company is committed to ESG and conducting its business in a responsible manner.<br>The Company is moving towards sustainable development by reducing the carbon emission and mitigating the adverse impacts on environment.<br>We endeavor to combat adverse climate change by transitioning to a low carbon emission and thereby reduction in carbon footprint and taking the required initiatives to monitor and reduce energy consumption. We implement various guidelines and recommendations made by the government authorities and the plastic trade organization which aims at sustainable business practices for our industry |  |     |     |     |     |     |     |     |     |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | DIN: 00013206<br>Name: Mr. Jayant Chheda<br>Designation: Chairman and Managing Director  |     |     |     |     |     |     |     |     |

| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | Yes.<br>Corporate Responsibility Committee of the Board  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
|---|--|-----|-----|-----|-----|-----|-----|-----|-----|--|-----|-----|-----|-----|-----|-----|-----|-----|--|--|
| 10. Details of Review of NGRBCs by the Company:   |  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
| Subject for Review  | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee   |     |     |     |     |     |     |     |     | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)                           |     |     |     |     |     |     |     |     |  |  |
|   | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |  |  |
| Performance against above policies and follow up action   | Y  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | As and when required   |     |     |     |     |     |     |     |     |  |  |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances  | Compliance with various laws is verified by Independent Agencies / Bodies and necessary corrective actions taken. During the year under review no major non-compliances are reported to the Board  |     |     |     |     |     |     |     |     | Annually   |     |     |     |     |     |     |     |     |  |  |
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.       | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | Yes.<br>ISO 45001:2018 certification by TUV Rheinland _for all its Manufacturing units and offices |     |     |     |     |     |     |     |     |  |  |
| 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:  |  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
| Questions   | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |  |     |     |     |     |     |     |     |     |  |  |
| The entity does not consider the Principles material to its business (Yes/No)   |  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)   | 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. |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)   | Yes. the company has necessary managerial resources to address any issues when this principle becomes important/relevant.  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
| It is planned to be done in the next financial year (Yes/No)  | No   |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |
| Any other reason (please specify)   | -  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |  |  |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                           | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact   | %age of person in respective category covered by the awareness programmes |
|-----------------------------------|--|---|---|
| Board of Directors                | 22   | 9 Principles of BRSR, Corporate Governance, Business Highlights, Industry Overview, Leadership and Innovation, ESG, Branding, Channel Engagement Activities, Stakeholder's Value Creation, Industry Outlook | 100%  |
| Key Managerial Personnel          | 22   | 9 Principles of BRSR , Corporate Governance, POSH, Regulatory Updates, amendments in Listing Regulations, Companies Act, 2013 and SEBI consultation paper.  | 100%  |
| Employees other than BoD and KMPs | 100  | Functional Training, Technical Training, Awareness Training, Behavioral ,Focused Group training and Team Cohesion training for Managers   | 88%   |
| Workers                           | 157  | Health and Safety trainings, Kaizen, 5S and 6S, Fire Safety, Prevention of Sexual Harassment topics, Energy efficiency, Medical Emergency. etc  | 87%   |

PPFL conducted an orientation and familiarization program for its Board of Directors and KMPs, comprising of matters including key regulatory changes in the corporate laws in India covering the amendments in Listing Regulations, Companies Act, 2013 and SEBI consultation paper. The details of familiarization program are posted at the Company's website <https://www.princepipes.com/investors/corporate-governance/policies>. The Statutory Auditors of the Company also conduct a session for the Audit Committee to showcase latest legal updates on financial matters like CARO, etc.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

|                 | Monetary        |  |                 |                   |  |
|-----------------|-----------------|--|-----------------|-------------------|--|
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine   | NIL             | -  | -               | -                 | -                                      |
| Settlement      | NIL             | -  | -               | -                 | -                                      |
| Compounding Fee | NIL             | -  | -               | -                 | -                                      |

|              | Non-Monetary    |   |                   |  |
|--------------|-----------------|---|-------------------|--|
|              | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | NIL             | -   | -                 | -                                      |
| Punishment   | NIL             | -   | -                 | -                                      |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

**Case Details**                      **Name of the regulatory/ enforcement agencies/ judicial institutions**

**Not Applicable**

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has in place a Code of Conduct for Suppliers and a Code of Conduct for Directors and Senior Management which adequately cover anti-corruption, anti-bribery policy and ethical manner of conduct of business. The detailed policy is available on the following weblinks:-

<https://www.princepipes.com/pdf/2.-CODE-OF-CONDUCT-FOR-DIRECTORS-AND-SENIOR-MANAGEMENT.pdf>

<https://www.princepipes.com/pdf/C-Supplier-Code-of-Conduct.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

|           | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-----------|--|---|
| Directors | 0                                      | 0                                       |
| KMPs      | 0                                      | 0                                       |
| Employees | 0                                      | 0                                       |
| Workers   | 0                                      | 0                                       |

## 6. Details of complaints with regard to conflict of interest:

|  | FY 2023-24<br>(Current Financial Year) |         | FY 2022-23<br>(Previous Financial Year) |         |
|--|--|---------|---|---------|
|  | Number                                 | Remarks | Number                                  | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0                                      |         | 0                                       |         |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0                                      |         | 0                                       |         |

## 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

## 8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

|                                     | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|-------------------------------------|--|---|
| Number of days of accounts payables | 50                                     | 56                                      |

## 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|----------------------------|--|--|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | 4%                                     | 2%                                      |
|                            | b. Number of trading houses where purchases are made from                                | 35                                     | 41                                      |
|                            | a. Purchases from top 10 trading houses as % of total purchases from trading houses      | 83%                                    | 78%                                     |
| Concentration of Sales     | a. Sales to dealers / distributors as % of total sales                                   | 94%                                    | 97%                                     |
|                            | b. Number of dealers / distributors to whom sales are made                               | 1426                                   | 1512                                    |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | 18%                                    | 18%                                     |
| Share of RPTs in           | a. Purchases (Purchases with related parties / Total Purchases)                          | Nil                                    | Nil                                     |
|                            | b. Sales (Sales to related parties / Total Sales)  | Nil                                    | Nil                                     |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | Nil                                    | Nil                                     |
|                            | d. Investments ( Investments in related parties / Total Investments made)                | Nil                                    | Nil                                     |

### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held                                 | Topics/principles covered under the training  | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|--|
| 1160 Plumber Workshops, 190 meets and retailer meets<br>72 factory visits | Manufacturing process, application of pipes and fittings, innovative ideas to improve the process efficiency, New product development and application | 80%  |

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The code of conduct for Board Members and Senior Management and the Supplier code of conduct covers in detail the concern of conflict of interest and Director's and Senior Management are annually required to comply with the code of conduct.

The code of conduct is uploaded on the website of the company and the link for the same is given below:

<https://www.princepipes.com/investors/corporate-governance/policies>

### PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|       | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) | Details of improvements in environmental and social impacts |
|-------|--|---|---|
| R&D   | NIL                                    | NIL                                     | NA  |
| Capex | NIL                                    | NIL                                     | NA  |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

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/technologies.

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

b. If yes, what percentage of inputs were sourced sustainably?

More than 70% of the inputs, approximately, are sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste © Hazardous waste and (d) other waste.

Yes, the Company has in place a mechanism to recycle products and internal rejection. Approximately 99% 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 disposal of non-usable wastage. The Company also submits necessary returns on hazardous and other wastes as prescribed by the respective State Pollution Control Boards/ Committees for each of its plants.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards (PCB)? If not, provide steps taken to address the same.

Our waste collection plan is in line with the EPR plan submitted to Pollution Control Board and the Company ensures that all stipulations of the PCB are implemented and followed.

ISO 14001:2015 audit / certification(s) are also conducted periodically to ensure compliance.

#### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No)<br>If yes, provide the web-link. |
|----------|---------------------------|---------------------------------|--|---|---|
|----------|---------------------------|---------------------------------|--|---|---|

The Company has 7 locations certified for ISO 14001:2015. All these locations carry out its environmental risk assessment w.r.t. life cycle perspective as per the requirement of the Environments Management Systems Standard.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product / Description of the risk /  | Action Taken Service | concern |
|--|----------------------|---------|
| During the periodical environmental/social risk assessments no significant observations were made. The minor risk observations were timely identified and necessary action has been taken. |                      |         |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material                    | Recycled or re-used input material to total material |   |
|--|--|---|
|  | FY 2023-24<br>(Current Financial Year)               | FY 2022-23<br>(Previous Financial Year) |
| Recycled in-house plastic waste generation | 7.4%   | 6.2%                                    |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

| Particulars                    | FY 2023-24<br>(Current Financial Year) |          |                 | FY 2022-23<br>(Previous Financial Year) |          |                 |
|--------------------------------|--|----------|-----------------|---|----------|-----------------|
|                                | Re-Used                                | Recycled | Safely Disposed | Re-Used                                 | Recycled | Safely Disposed |
| Plastics (including packaging) | 0                                      | 0        | 0               | 0                                       | 0        | 0               |
| E-waste                        | 0                                      | 0        | 0               | 0                                       | 0        | 0               |
| Hazardous waste                | 0                                      | 0        | 0               | 0                                       | 0        | 0               |
| Other waste                    | 0                                      | 0        | 0               | 0                                       | 0        | 0               |

**Note:** The Company is committed to ensure that the environment is protected by adopting recognized methods of all waste products and adopts sustainable material wherever possible. As regards E-waste and Hazardous waste a mechanism is in place to safely disposed of such wastes by engaging the services of the registered agents for these purposes. The Company has a policy / procedure for reusing / recycling e-waste / hazardous waste that is generated during the respective products life cycle.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
|                           | NOT APPLICABLE  |

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:.

| Category                              | % of employees covered by |                  |            |                    |            |                    |           |                    |           |                     |             |
|---------------------------------------|---------------------------|------------------|------------|--------------------|------------|--------------------|-----------|--------------------|-----------|---------------------|-------------|
|                                       | Total (A)                 | Health insurance |            | Accident insurance |            | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |             |
|                                       |                           | Number (B)       | % (B / A)  | Number (C)         | % (C / A)  | Number (D)         | % (D / A) | Number (E)         | % (E / A) | Number (F)          | % (F / A)   |
| <b>Permanent employees</b>            |                           |                  |            |                    |            |                    |           |                    |           |                     |             |
| Male                                  | 950                       | 950              | 100        | 950                | 100        | 0                  | 0         | 950                | 100       | 0                   | 0           |
| Female                                | 43                        | 43               | 100        | 43                 | 100        | 43                 | 100       | 0                  | 0         | 2                   | 4.76        |
| <b>Total</b>                          | <b>993</b>                | <b>993</b>       | <b>100</b> | <b>993</b>         | <b>100</b> | <b>43</b>          | <b>4</b>  | <b>950</b>         | <b>96</b> | <b>2</b>            | <b>0.22</b> |
| <b>Other than Permanent Employees</b> |                           |                  |            |                    |            |                    |           |                    |           |                     |             |
| Male                                  | 64                        | 64               | 100        | 64                 | 100        | 0                  | 0         | 64                 | 100       | 0                   | 0           |
| Female                                | 6                         | 6                | 100        | 6                  | 100        | 6                  | 100       | 0                  | 0         | 2                   | 0           |
| <b>Total</b>                          | <b>70</b>                 | <b>70</b>        | <b>100</b> | <b>70</b>          | <b>100</b> | <b>6</b>           | <b>9</b>  | <b>0</b>           | <b>0</b>  | <b>2</b>            | <b>0</b>    |

## b. Details of measures for the well-being of workers:

| Category                            | % of workers covered by |                  |            |                    |            |                    |           |                    |            |                     |           |
|-------------------------------------|-------------------------|------------------|------------|--------------------|------------|--------------------|-----------|--------------------|------------|---------------------|-----------|
|                                     | Total (A)               | Health insurance |            | Accident insurance |            | Maternity benefits |           | Paternity Benefits |            | Day Care facilities |           |
|                                     |                         | Number (B)       | % (B / A)  | Number (C)         | % (C / A)  | Number (D)         | % (D / A) | Number (E)         | % (E / A)  | Number (F)          | % (F / A) |
| <b>Permanent workers</b>            |                         |                  |            |                    |            |                    |           |                    |            |                     |           |
| Male                                | 794                     | 794              | 100        | 794                | 100        | 0                  | 0         | 794                | 100        | 0                   | 0         |
| Female                              | 0                       | 0                | 0          | 0                  | 0          | 0                  | 0         | 0                  | 0          | 2                   | 0         |
| <b>Total</b>                        | <b>794</b>              | <b>794</b>       | <b>100</b> | <b>794</b>         | <b>100</b> | <b>0</b>           | <b>0</b>  | <b>794</b>         | <b>100</b> | <b>0</b>            | <b>0</b>  |
| <b>Other than Permanent workers</b> |                         |                  |            |                    |            |                    |           |                    |            |                     |           |
| Male                                | 1355                    | 1355             | 100        | 1355               | 100        | 0                  | 0         | 0                  | 0          | 0                   | 0         |
| Female                              | 153                     | 153              | 100        | 153                | 100        | 153                | 100       | 0                  | 0          | 2                   | 0         |
| <b>Total</b>                        | <b>1508</b>             | <b>1508</b>      | <b>100</b> | <b>1508</b>        | <b>100</b> | <b>153</b>         | <b>10</b> | <b>0</b>           | <b>0</b>   | <b>0</b>            | <b>0</b>  |

## c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

|  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|--|--|---|
| Cost incurred on wellbeing measures as a % of total revenue of the company | 0.17%                                  | 0.1%                                    |

## 2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits                               | FY 2023-24<br>(Turnover rate in current FY)        |  |   | FY 2022-23<br>(Turnover rate in previous FY)       |  |   |
|--|--|--|---|--|--|---|
|  | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority |
| PF                                     | 100%   | 100%   | Y   | 100%   | 100%   | Y   |
| Gratuity                               | 100%   | 100%   | Y   | 100%   | 100%   | Y   |
| ESI                                    | 0%   | 43%  | Y   | 7.70%  | 57.09%   | Y   |
| Others – please specify Group Medclaim | 100%   | 57%  | NA  | 92.30%   | 42.91%   | NA  |

## 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

YES.

All our offices have been made accessible to accommodate employees and workers with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016. While in the manufacturing plants, workplace is suited to differently abled persons. We, at PPFL, promote an inclusive workplace to a diverse people from different culture and background of society meet. We strive towards providing an inclusive infrastructure that takes into consideration the demographics of our workforce. We assess all our premises and install ramps wherever feasible. We ensure differently abled persons do not face any issues. Above points

are being certified after auditing by IGBC (INDIAN GREEN BUILDING COUNCIL) as per National Building Code-2005 for Our Chennai & Jaipur plant, which are IGBC Gold & Platinum rated factory building.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

YES. <https://www.princepipes.com/investors/corporate-governance/policies>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees |                | Permanent workers   |                |
|--------|---------------------|----------------|---------------------|----------------|
|        | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male   | 100%                | 100%           | 100%                | 100%           |
| Female | 100%                | 100%           | 100%                | 100%           |
| Total  | 100%                | 100%           | 100%                | 100%           |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. YES

|                                | Yes/No<br>(If Yes, then give details of the mechanism in brief)   |
|--------------------------------|---|
| Permanent Workers              | Yes, the Company has in place suitable mechanisms in the form of committees at various plant levels to periodically assess and ensure timely addressal of the grievances received from our employees and workers.   |
| Other than Permanent Workers   |   |
| Permanent Employees            | These include:<br><ol style="list-style-type: none"> <li>1. Holding one on one meetings with the concern employee and with his respective reporting manager along with the HR personnel.</li> <li>2. The Safety Committee task force are in place to quickly resolve grievances of employees and other workers.</li> <li>3. The task force at various plant level ensures smooth production and resolution of any shop floor differences between Management and workers.</li> <li>4. The respective plant level task forces also ensures that any complaint in the grievance box are attended quickly and settled amicably weekly.</li> <li>5. The task force at each plant ensures that safety drills are held regularly and any grievance which endangers safety of employees / workers receives top most attention.</li> <li>6. The Company's whistle blower policy ensures that the employees/ workers who avail this mechanism are not victimized and that the Chairman of the Audit Committee disposes of all such grievances expeditiously.</li> </ol> |
| Other than Permanent Employees |   |

## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Particulars               | FY 2023-24<br>(Current Financial Year)               |  |           | FY 2022-23<br>(Previous Financial Year)              |  |           |
|---------------------------|--|--|-----------|--|--|-----------|
|                           | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| Total Permanent Employees | 993  | 0  | 0         | 923  | 0  | 0         |
| - Male                    | 950  | 0  | 0         | 881  | 0  | 0         |
| - Female                  | 43   | 0  | 0         | 42   | 0  | 0         |
| Total Permanent Workers   | 794  | 123  | 15%       | 826  | 127  | 15.38     |
| - Male                    | 794  | 123  | 15%       | 826  | 127  | 0         |
| - Female                  | 0  | 0  | 0         | 0  | 0  | 0         |

## 8. Details of training given to employees and workers:

| Category         | FY 2023-24<br>Current Financial Year |                               |            |                      |            | FY 2022-23<br>Previous Financial Year |                               |            |                      |            |
|------------------|--------------------------------------|-------------------------------|------------|----------------------|------------|---------------------------------------|-------------------------------|------------|----------------------|------------|
|                  | Total (A)                            | On Health and safety measures |            | On Skill upgradation |            | Total (D)                             | On Health and safety measures |            | On Skill upgradation |            |
|                  |                                      | No. (B)                       | % (B / A)  | No. (C)              | % (C / A)  |                                       | No. (E)                       | % (E / D)  | No. (F)              | % (F / D)  |
| <b>Employees</b> |                                      |                               |            |                      |            |                                       |                               |            |                      |            |
| Male             | 950                                  | 428                           | 45%        | 535                  | 56%        | 446                                   | 176                           | 39%        | 144                  | 32%        |
| Female           | 43                                   | 26                            | 60%        | 10                   | 23%        | 6                                     | 6                             | 100%       | 2                    | 33%        |
| <b>Total</b>     | <b>993</b>                           | <b>454</b>                    | <b>45%</b> | <b>545</b>           | <b>54%</b> | <b>452</b>                            | <b>182</b>                    | <b>40%</b> | <b>146</b>           | <b>32%</b> |
| <b>Workers</b>   |                                      |                               |            |                      |            |                                       |                               |            |                      |            |
| Male             | 724                                  | 389                           | 54%        | 286                  | 40%        | 811                                   | 377                           | 46%        | 178                  | 22%        |
| Female           | 0                                    | 0                             | 0          | 0                    | 0          | 0                                     | 0                             | 0          | 0                    | 0          |
| <b>Total</b>     | <b>724</b>                           | <b>389</b>                    | <b>54%</b> | <b>286</b>           | <b>40%</b> | <b>811</b>                            | <b>377</b>                    | <b>46%</b> | <b>178</b>           | <b>22%</b> |

## 9. Details of performance and career development reviews of employees and worker:

| Benefits         | FY 2023-24<br>Current Financial Year |            |           | FY 2022-23<br>Previous Financial Year |            |           |
|------------------|--------------------------------------|------------|-----------|---------------------------------------|------------|-----------|
|                  | Total (A)                            | No. (B)    | % (B / A) | Total (C)                             | No. (D)    | % (D / C) |
| <b>Employees</b> |                                      |            |           |                                       |            |           |
| Male             | 950                                  | 782        | 82        | 446                                   | 388        | 87        |
| Female           | 43                                   | 38         | 88        | 6                                     | 5          | 83        |
| <b>Total</b>     | <b>993</b>                           | <b>820</b> | <b>83</b> | <b>452</b>                            | <b>393</b> | <b>87</b> |
| <b>Workers</b>   |                                      |            |           |                                       |            |           |
| Male             | 794                                  | 638        | 88        | 811                                   | 736        | 91        |
| Female           | 0                                    | 0          | 0         | 0                                     | 0          | 0         |
| <b>Total</b>     | <b>794</b>                           | <b>638</b> | <b>88</b> | <b>811</b>                            | <b>736</b> | <b>91</b> |

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company has ISO 45001:2018 certification by TUV Rheinland \_for all its Plants. This certification not only minimizes risks to employees, visitors, and job workers on the premises but also leads to cost savings and reduces incidents Occupational health and safety management has always remained one of the priority for the Company. A dedicated senior management personnel has his KRA's (Key Responsibility Areas) to regularly monitor and implement best practices.

We have our EHS policy to ensure a safe and healthy working environment across all plants and offices. This policy includes clear instructions and safety protocols for all employees and workers to follow, preventing damage to life and property.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has identified Hazard and routine / non routine risks. Our Company has successfully implemented HIRA & PTW providing a comprehensive approach to identify hazards, assess risks, implement control measures, ensure compliance, and drive continuous improvement. The Company ensures that routine and Hazardous risk analysis is reviewed at least once in a quarter. This approach helps the Company to identify safety issues in various manufacturing processes and have systems in place to regularly monitor compliances. The Company is satisfied with its approach to risk involved in manufacturing.

Identification of risk in Manufacturing Processes helps in avoiding accidents, injuries to workers and ensures safety. The Company ensures that the task force at various plant have regular safety drills and suggestions from employees / workmen is encouraged to consolidate the risk mitigation plan

The Company reviews its safety mechanism to ensure a healthy work environment which is aimed at minimum accidents.

All regulatory and trade related recommendations which address safety and health of employees / workers are implemented.

- c. Whether you have processes for workers to report the workrelated hazards and to remove themselves from such risks. (Y/N)

Yes, a complete procedure is laid down for workers to report their hazardous risks to their first level foreman / supervisor who in-turn regularly interact with the task force including the plant head to evaluate and implement such suggestions. Each plant has duly constituted a safety committee comprising of safety officer & 50:50 participation of staff/associates, who are responsible for their own work area hazards/risk.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes the Company provides health insurance to employees & their families and in case of workmen all health and safety protections covers under various statutory regulations are provided to workmen and their families.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number  | Category  | FY 2023-24<br>Current Financial Year | FY 2022-23<br>Previous Financial Year |
|---|-----------|--------------------------------------|---------------------------------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0                                    | 0                                     |
|   | Workers   | 0                                    | 0                                     |
| Total recordable work-related injuries  | Employees | 0                                    | 0                                     |
|   | Workers   | 0                                    | 0                                     |
| No. of fatalities   | Employees | 0                                    | 0                                     |
|   | Workers   | 0                                    | 0                                     |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0                                    | 0                                     |
|   | Workers   | 0                                    | 0                                     |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- a) The Company provides suitable PPE's and other safety related equipments which will be specifically required while performing certain manufacturing activities and the supervisors are also given access to continuously monitor shop floor production with the installation of CCTVs cameras and access control to high-risk activities to only authorize workman. The Company has also successfully implemented automation at its Jaipur, Haridwar & Telangana locations to improve efficiency and ensure best manufacturing practices for safety.
- b) Provision of Personal Protective Equipment (PPE) while working
- c) Installation of a Fire Hydrant & sprinkler System to address fire-related risks.
- d) Availability of Emergency Assembly Area for safe gathering of individuals during emergencies.
- e) Accessible drinking water facilities and sanitation,
- f) CCTV cameras are installed to enhance physical security and surveillance within the premises.
- g) Availability of Standard Operating Procedures (SOPs) at work place
- h) Health and Safety Trainings and Mock Drills conducted periodically for awareness
- i) Monthly 5S and Safety Audits
- j) Effective Permit to Work (PTW) System
- k) Emergency Response Team list displayed digitally at gate

Note: The above initiatives are indicative and not exhaustive

13. Number of Complaints on the following made by employees and workers:

| Benefits           | FY 2023-24<br>Current Financial Year |                                       |         | FY 2022-23<br>Previous Financial Year |                                       |         |
|--------------------|--------------------------------------|---------------------------------------|---------|---------------------------------------|---------------------------------------|---------|
|                    | Filed during the year                | Pending resolution at the end of year | Remarks | Filed during the year                 | Pending resolution at the end of year | Remarks |
| Working Conditions | 0                                    | 0                                     |         | 0                                     | 0                                     |         |
| Health & Safety    | 0                                    | 0                                     |         | 0                                     | 0                                     |         |

14. Assessments for the year:

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Health and safety practices | All plants for ISO 45001 certification through TUV Rheinland (100%)                                      |
| Working Conditions          | 100%   |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company has ISO 45001, for all its manufacturing units and implements suggestions addressed at enhancing safety and risks involved in our product life cycle. The ISO 45001 audits are taken seriously by the Management and monitored to ensure concerns of any observations made by the ISO auditors.

#### Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

YES The Company provides Insurance covers and other social security assistance in the form of medical aid, hospitalization and all other statutory health covers to its employees and workmen across its spectrum of operations

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has periodical sales and other partner meets and regularly impresses its value chain partners to ensure that all statutory dues are not just deducted but also deposited timely. The sales head of the particular region periodically visits value chain partners and inter alia covers this point during the meets.

In the case of onboarding of new value chain partners, checks and balances are conducted to ensure that the incoming partner is compliant with all tax, labor and other statutory requirements including shops and establishment Act and other statutes.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

|           | Total no. of affected employees/ workers |   | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |   |
|-----------|--|---|---|---|
|           | FY 2023-24<br>(Current Financial Year)   | FY 2022-23<br>(Previous Financial Year) | FY 2023-24<br>(Current Financial Year)  | FY 2022-23<br>(Previous Financial Year) |
| Employees | 0  | 0                                       | 0   | 0                                       |
| Workers   | 0  | 0                                       | 0   | 0                                       |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/NO)

YES. The Company ensures that appropriate assistance programs in the event of transitioning within the organization or retirement/termination of employees are provided in accordance with the approved HR policies. The respective employee / worker may be considered for an advisory role at the discretion of management. Furthermore, employees are eligible for gratuity or severance pay, which is determined based on their length of service with the company.

5. Details on assessment of value chain partners:

|                             | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---|
| Health and safety practices | NIL* during the year*   |
| Working Conditions          | NIL* during the year*   |

\*The Company ensures that appointment of value chain partners are approved after a 360 degree verification process which ensures that health and safety practices including hygienic working conditions are provided to all value chain partners employees including customer who visit their premises.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

During our periodical sales and distributor meets which include visits to value chain partners' premises, no instance of significant risk or concerns regarding health, safety practices and working conditions were observed.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

1. Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholders identified by the company are its various end users, suppliers, distributors, employees, shareholders, Government, regulatory & statutory bodies, auditors, bankers and technology Partners.

The Company has an in-house process for identification of key stakeholders. The Stakeholders engagement with the company is an ongoing process and it is the endeavour of the Company to build and maintain long term sustainable relationships with the stakeholders keeping the expectations and the objectives of the company in mind.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group        | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement             |
|--------------------------|--|---|--|---|
| Employees                | No   | Emails, Notices and other communication mechanisms  | Weekly and event specific  | Regular update on engagement with the Company   |
| Shareholders / Investors | No   | Emails, Newspaper, Advertisement, website of the Company and Stock Exchanges and General Meetings                             | Quarterly and event specific   | Communicating Quarterly/ Half Yearly/Yearly Results, sending Annual Reports and Notice for General Meetings |
| Suppliers & Distributors | No   | Emails, personal and telephonic meetings  | As and when required   | Purchase orders, Sales orders, Advertisements, Conference meets   |
| Product end users        | No   | All types of digital and other marketing channels   | Frequently   | To enhance sales  |
| Government agencies      | No   | Email, personal meetings, Con-calls, videoconference  | As and when required   | Filing of returns, seeking of approvals   |

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We organise regular meetings of the Managing Director, Whole-Time Directors and Senior Management with various Stakeholders. The Company strives to understand the requirement and expectations of the Stakeholders on Environmental, Social and Governance (ESG) concerns, which enables the Company to enhance stakeholder value.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The stakeholder consultation is used to support the identification and management of environmental, and social topics affecting the Company. The formulation of the Company Policies pertaining to Environment and Social have been a result of continuous interactions with the Government Regulatory Authorities, Distributors, Suppliers and the local community.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company continuously engages with its vulnerable stakeholders which constitute workmen in critical operations specially those functions which require long hours of work with chemicals and other equipment's.

These stakeholders are regularly updated by new technologies, safety measures and by latest techniques developed by the industry and trade boards to address such risk. The Company also is committed to spend an allotted budget to help improve the lives of people and communities living in the vicinity of its manufacturing units.

Various welfare measures, directly and indirectly are supported by the Company as an ongoing process in the field of healthcare, education, conservation of environment and upliftment of poor sections of the society.

## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category               | FY 2023-24 (Current Financial Year) |                                   |            | FY 2022-23 (Previous Financial Year) |                                   |           |
|------------------------|-------------------------------------|-----------------------------------|------------|--------------------------------------|-----------------------------------|-----------|
|                        | Total (A)                           | No. employees workers covered (B) | % (B / A)  | Total (C)                            | No. employees workers covered (D) | % (D / C) |
| <b>Employees</b>       |                                     |                                   |            |                                      |                                   |           |
| Permanent              | 950                                 | 276                               | 29%        | 452                                  | 65                                | 14        |
| Other than permanent   | 43                                  | 12                                | 28%        | 0                                    | 0                                 | 0         |
| <b>Total Employees</b> | <b>993</b>                          | <b>288</b>                        | <b>29%</b> | <b>452</b>                           | <b>65</b>                         | <b>14</b> |
| <b>Workers</b>         |                                     |                                   |            |                                      |                                   |           |
| Permanent              | 794                                 | 195                               | 24%        | 811                                  | 19                                | 2         |
| Other than permanent   | 0                                   | 0                                 | 0          | 0                                    | 0                                 | 0         |
| <b>Total Workers</b>   | <b>794</b>                          | <b>195</b>                        | <b>24%</b> | <b>811</b>                           | <b>19</b>                         | <b>2</b>  |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category                    | FY 2023-24 (Current Financial Year) |                       |           |                        |           | FY 2022-23 (Previous Financial Year) |                       |           |                        |           |
|-----------------------------|-------------------------------------|-----------------------|-----------|------------------------|-----------|--------------------------------------|-----------------------|-----------|------------------------|-----------|
|                             | Total (A)                           | Equal to Minimum Wage |           | More than Minimum Wage |           | Total (D)                            | Equal to Minimum Wage |           | More than Minimum Wage |           |
|                             |                                     | No. (B)               | % (B / A) | No. (C)                | % (C / A) |                                      | No. (E)               | % (E / D) | No. (F)                | % (F / D) |
| <b>Employees</b>            |                                     |                       |           |                        |           |                                      |                       |           |                        |           |
| <b>Permanent</b>            |                                     |                       |           |                        |           |                                      |                       |           |                        |           |
| Male                        | 950                                 | 0                     | 0         | 950                    | 100       | 877                                  | 0                     | 0         | 877                    | 100       |
| Female                      | 43                                  | 0                     | 0         | 43                     | 100       | 42                                   | 0                     | 0         | 42                     | 100       |
| <b>Other than Permanent</b> |                                     |                       |           |                        |           |                                      |                       |           |                        |           |
| Male                        | 64                                  | 0                     | 0         | 64                     | 100       | 1                                    | 0                     | 0         | 1                      | 100       |
| Female                      | 6                                   | 0                     | 0         | 6                      | 100       | 0                                    | 0                     | 0         | 0                      | 0         |
| <b>Workers</b>              |                                     |                       |           |                        |           |                                      |                       |           |                        |           |
| <b>Permanent</b>            |                                     |                       |           |                        |           |                                      |                       |           |                        |           |
| Male                        | 794                                 | 0                     | 0         | 794                    | 100       | 811                                  | 0                     | 0         | 811                    | 100       |
| Female                      | 0                                   | 0                     | 0         | 0                      | 0         | 0                                    | 0                     | 0         | 0                      | 0         |
| <b>Other than Permanent</b> |                                     |                       |           |                        |           |                                      |                       |           |                        |           |
| Male                        | 1355                                | 950                   | 70        | 405                    | 30        | 1493                                 | 1205                  | 81        | 288                    | 19        |
| Female                      | 153                                 | 153                   | 100       | 0                      | 0         | 107                                  | 107                   | 100       | 0                      | 0         |

## 3. Details of remuneration/salary/wages

## a. Median remuneration / wages:

|                                  | Male   |   | Female |   |
|----------------------------------|--------|---|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)         | 3      | 27935280  | 0      | 0   |
| Key Managerial Personnel         | 3*     | 6449112   | 0      | 0   |
| Employees other than BoD and KMP | 1007   | 551004  | 49     | 585792  |
| Workers                          | 849    | 203112  | 2      | 182520  |

\*Mr. Shyam Sharda resigned from his office as the Chief Financial Officer and Key Managerial Personnel with effect from October 04, 2023. Further Mr. Anand Gupta was appointed as Chief Financial Officer w.e.f. November 7, 2023.

## b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

|   | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---|--|---|
| Gross wages paid to females as % of total wages | 4.6                                    | 4.1                                     |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes)**

Our Human Rights policy adequately addresses the above. Periodical evaluations and reviews are conducted for the same.

## 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Our robust internal Human Rights redressal mechanism which is covered in our Human Rights policy ensures timely redressal of any grievance raised and also has an in-built process at different levels

## 6. Number of Complaints on the following made by employees and workers:

| Benefits                          | FY 2023-24<br>Current Financial Year |                                       |         | FY 2022-23<br>Previous Financial Year |                                       |         |
|-----------------------------------|--------------------------------------|---------------------------------------|---------|---------------------------------------|---------------------------------------|---------|
|                                   | Filed during the year                | Pending resolution at the end of year | Remarks | Filed during the year                 | Pending resolution at the end of year | Remarks |
| Sexual Harassment                 | 0                                    | 0                                     | 0       | 0                                     | 0                                     | 0       |
| Discrimination at workplace       | 0                                    | 0                                     | 0       | 0                                     | 0                                     | 0       |
| Child Labour                      | 0                                    | 0                                     | 0       | 0                                     | 0                                     | 0       |
| Forced Labour/ Involuntary Labour | 0                                    | 0                                     | 0       | 0                                     | 0                                     | 0       |
| Wages                             | 0                                    | 0                                     | 0       | 0                                     | 0                                     | 0       |
| Other human rights related issues | 0                                    | 0                                     | 0       | 0                                     | 0                                     | 0       |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|   | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---|--|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0                                      | 0                                       |
| Complaints on POSH as a % of female employees / workers   | 0                                      | 0                                       |
| Complaints on POSH upheld   | 0                                      | 0                                       |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a robust mechanism to prevent victimization of complainants and for prevention of discrimination and harassment of the complainants during investigation as well as after the necessary corrective action has been taken as a part of the policies of the Company. The Board Committee independently reviews the effectiveness of this mechanism periodically.

9. Do human rights requirements form part of your business agreements and contracts?

(Yes/No)

Yes. The Company is committed to preservation and protection of human rights and the human rights requirements generally form part of business agreements and contracts.

10. Assessments for the year:

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour                | 100%   |
| Forced/involuntary labour   | 100%   |
| Sexual harassment           | 100%   |
| Discrimination at workplace | 100%   |
| Wages                       | 100%   |
| Others – please specify     | 100%   |

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant risks/concerns were identified/observed from the above assessments.

#### Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

As our mechanism for human rights protection has worked positively no further modifications were done by the Company after the annual review. The Company continues to give adequate coverage to human rights in all its general communications to its employees/workmen.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Our human rights policy encourages human rights and has an in-built mechanism to evaluate the effectiveness of this policy annually.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. Our Company encourages the policy of having an inclusive recruitment framework. Necessary facilities are provided both for approaching work place and use of washrooms.

## 4. Details on assessment of value chain partners:

|                                  | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---|
| Sexual Harassment                | 0%  |
| Discrimination at workplace      | 0%  |
| Child Labour                     | 0%  |
| Forced Labour/Involuntary Labour | 0%  |
| Wages                            | 0%  |
| Others – please specify          | 0%  |

Note - During the financial year 2023-24 no such assessment was undertaken however the Company plans to undertake independent reviews of selective partners based on the turnover of the partners.

## 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

as no such assessment was undertaken during the financial year 2023-24

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators**

## 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter   | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---|--|---|
| <b>From renewable sources</b>   |  |   |
| Total electricity consumption (A) Solar rooftop panels  | 32343746.4 MJ                          | 24253740MJ                              |
| Total fuel consumption (B) Petrol/Diesel/LPG/PNG  | 0                                      | 0                                       |
| Energy consumption through other sources © Wind power purchased   | 36095853.6 MJ                          | 25176168 MJ                             |
| <b>Total energy consumed from renewable resources (A+B+C)</b>   | <b>68439600 MJ</b>                     | <b>49429908 MJ</b>                      |
| <b>From non-renewable sources</b>   |  |   |
| Total electricity consumption (D)   | 240074481.6 MJ                         | 240270642 MJ                            |
| Total fuel consumption (E) Petrol/Diesel/LPG/PNG  | 13395009.6 MJ                          | 11291698.8 MJ                           |
| Energy consumption through other sources (F)  | 0                                      | 0                                       |
| <b>Total energy consumed from nonrenewable sources (D+E+F)</b>  | <b>253469491.2 MJ</b>                  | <b>251562340.8 MJ</b>                   |
| <b>Total energy consumed (A+B+C+D+E+F)</b>  | <b>321909091.2 MJ</b>                  | <b>300992248.8 MJ</b>                   |
| <b>Energy intensity per rupee of turnover</b><br><i>(Total energy consumption/turnover in rupees)</i>   | 0.0125317504 MJ                        | 0.0111031547 MJ                         |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – (Total energy consumed / Revenue from operations adjusted for PPP)</b> | 0.280692 MJ                            | 0.248688 MJ                             |
| <b>Energy intensity in terms of physical output (KJ/KG/MJ)</b>  | 2.016 MJ                               | 2.0628 MJ                               |
| Energy intensity (optional) – the relevant metric may be selected by the entity (KWH/KG)  |  |   |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Company has a ISO 50001:2018 certificate issued by TUVRheinland and the audit for this certification is undertaken annually. Further the Company also has a process in place to have half yearly internal assessments to monitor and ensure effective energy management within the organization.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. Presently none of the Company's sites/facilities are covered under the PAT scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

| Parameter  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|--|--|---|
| <b>Water withdrawal by source (in kilolitres)</b>  |  |   |
| (i) Surface water  | 0                                      | 0                                       |
| (ii) Groundwater   | 146473KL                               | 97090KL                                 |
| (iii) Third party water  | 6836KL                                 | 5475KL                                  |
| (iv) Seawater / desalinated water  | 0                                      | 0                                       |
| (v) Others   | 0                                      | 0                                       |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>  | 153309KL                               | 102565KL                                |
| <b>Total volume of water consumption (in kilolitres)</b>   | 153309KL                               | 102565KL                                |
| <b>Water intensity per rupee of turnover (Water consumed / turnover)</b>   | 0.00596LTR/RS                          | 0.0038 LTR/RS                           |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)</b> | 0.13368LTR/RS                          | 0.08474LTR/RS                           |
| <b>Water intensity in terms of physical output</b>   | 0.96LTR/KG                             | 0.69LTR/KG                              |
| <b>Water intensity (optional) – the relevant metric may be selected by the entity</b>  |  |   |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

YES. Independent assessment has been carried out by the - Central Ground Water Board

4. Provide the following details related to water discharged:

| Parameter  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|--|--|---|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |  |   |
| (i) To Surface water   |  |   |
| - No treatment   | 0                                      | 0                                       |
| - With treatment – please specify level of Treatment                         | 0                                      | 0                                       |
| (ii) To Groundwater  |  |   |
| - No treatment   | 0                                      | 0                                       |
| - With treatment – please specify level of Treatment                         | 0                                      | 0                                       |
| (iii) To Seawater  |  |   |
| - No treatment   | 0                                      | 0                                       |
| - With treatment – please specify level of Treatment                         | 0                                      | 0                                       |
| (iv) Sent to third-parties   |  |   |
| - No treatment   | 0                                      | 0                                       |
| - With treatment – please specify level of Treatment                         | 0                                      | 0                                       |
| (v) Others   |  |   |
| - No treatment   | 0                                      | 0                                       |
| - With treatment – please specify level of Treatment                         | 0                                      | 0                                       |
| <b>Total water discharged (in kilolitres)</b>                                | <b>0</b>                               | <b>0</b>                                |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.  
YES. Our Company has an effective mechanism in place for Zero Liquid Discharge. All the plants of our Company are being certified as zero liquid discharge by the concerned authorities.

All the suggestions from the concerned authorities are implemented and use of the latest technology is undertaken to ensure Zero Liquid Discharge. All our Plants are equipped with sewage Treatment Plant & Water is treated before use for gardening and other permitted uses.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter                           | Please specify unit | FY 2023-24<br>Current Financial Year | FY 2022-23<br>Previous Financial Year |
|-------------------------------------|---------------------|--------------------------------------|---------------------------------------|
| NOx                                 | µg/m <sup>3</sup>   | 29                                   | 21                                    |
| Sox                                 | µg/m <sup>3</sup>   | 22.9                                 | 6                                     |
| Particulate matter (PM-10)          | µg/m <sup>3</sup>   | 94.1                                 | 91                                    |
| Persistent organic pollutants (POP) | NIL                 | NIL                                  | NIL                                   |
| Volatile organic compounds (VOC)    | NIL                 | NIL                                  | NIL                                   |
| Hazardous air pollutants (HAP)      | NIL                 | NIL                                  | NIL                                   |
| Others – please Specify             | NIL                 | NIL                                  | NIL                                   |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter   | Unit  | FY 2023-24<br>Current Financial Year | FY 2022-23<br>Previous Financial Year |
|---|---|--------------------------------------|---------------------------------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tonnes of CO <sub>2</sub> Equivalent | 858                                  | 752                                   |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tonnes of CO <sub>2</sub> Equivalent | 56684                                | 56731                                 |
| <b>Total Scope 1 and Scope 2 emissions per rupee of Turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)  | Gram Per Rs.                                | 2.24g/Rs.                            | 2.12 g/Rs.                            |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Gram Per Rs.                                | 50.17g/Rs.                           | 47.49g/Rs.                            |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>   | Kg CO <sub>2</sub> Per Kg Production        | 0.361                                | 0.394                                 |
| <b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity  |   |                                      |                                       |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. However, the Company has plans to appoint an external agency to conduct an audit on greenhouse gas emissions in the near future.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Our Company has a well-defined and comprehensive Energy Policy focused on procuring advanced energy-efficient equipment(s) such as injection moulding, extruders, and utility equipment(s) including chillers, compressors, vacuum pumps, and water pumps.

Further, our Company consistently strives to enhance our energy efficiency performance and has also substituted fossil fuels with wind/solar/PNG/LPG in our manufacturing activities. Our Company upgraded our HT power infrastructure from mixed consumer to express feeder at all our facilities to optimize DG Run Hours. Our Company closely monitors the energy performance of all our units. All our facilities have been certified for ISO-50001:2-18 EnMS (Energy Management System) to monitor energy efficiency.

Our Company demonstrated a strong commitment to solar energy by significantly expanding our own rooftop solar PV capacity at all facilities. The Company scaled up its solar capacity to 8.4MWP (MegaWatt peak). Resulting in reducing our carbon footprint and contributing to a more sustainable future, 17% of our energy requirement fulfilling through renewable sources-Solar & wind.

9. Provide details related to waste management by the entity, in the following format:

| Parameter  | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|--|--|---|
| <b>Total Waste generated (in metric tonnes)</b>  |  |   |
| Plastic waste (A)  | 11832                                  | 10,800                                  |
| E-waste (B)  | 0.063                                  | 0                                       |
| Bio-medical waste (C)  | 0                                      | 0                                       |
| Construction and demolition waste (D)  | 0                                      | 0                                       |
| waste (D)  | 0<br>(Buy back from manufacturer)      | 0<br>(Buy back from manufacturer)       |
| Radioactive waste (F)  | 0                                      | 0                                       |
| Other Hazardous waste. Please specify, if any. (G) (Used oil, empty containers, cotton waste, ink residue)   | 8.40                                   | 13.86                                   |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)                        | 0                                      | 0                                       |
| <b>Total (A+B + C + D + E + F + G + H)</b>   | 11,840.46                              | 10,815.11                               |
| <b>Waste intensity per rupee of turnover</b> (Total waste generated / revenue from operations)   | 0.46g/Rs.                              | 0.40g/Rs.                               |
| <b>Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)</b> (Total Revenue waste from generated / operations adjusted for PPP) | 10.32g/Rs.                             | 8.94g/Rs.                               |
| <b>Waste intensity in terms of physical output</b>   | 0.0742Kg/Kg Production                 | 0.0742Kg/Kg Production                  |
| <b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>  |  |   |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>             |  |   |
| <b>Category of waste</b>   |  |   |
| (i) Recycled   | 11624                                  | 10618.965                               |
| (ii) Re-used   | 208.063                                | 168.035                                 |
| (iii) Other recovery operations  | 0                                      | 0                                       |
| <b>Total</b>   | 11624                                  | 10618.965                               |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>  |  |   |
| <b>Category of waste</b>   |  |   |
| (i) Incineration   | 0                                      | 0                                       |
| (ii) Landfilling   | 0                                      | 0                                       |
| (iii) Other disposal operations  | 8.396                                  | 28.111                                  |
| <b>Total</b>   | 8.396                                  | 28.111                                  |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NO

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our Company strives to adopt the best and the most effective waste management practices in all its establishments to ensure that hazardous and toxic chemicals are used to the minimal possible extent. The Company is conscious of the environment, climate change and deploys sustainable materials wherever available and possible. Our Company recycles all our plastic wastes within our manufacturing units which is a significant step towards sustainable waste management. Further, by utilizing grinders, shredders, pulverizes & granulators our Company processes and reuses plastic wastes, reducing the need for virgin plastic material and minimizing the environmental impact associated with plastic disposal. Our Company also disposes all its hazardous wastes like e-waste, battery waste, spent oil through PCB authorized vendors.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The Company is sensitive to the surrounding areas in which it operates and it is ensured that the negative impact of the Company's operations on the surrounding areas is minimal. Our Company does not have any plants or offices located in/around ecologically sensitive areas. It is ensured that the necessary permissions and approvals from the respective pollution control boards is obtained/renewed timely.

| S. No. | Location of operations/offices | Type of Operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br>If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|--------------------|--|
|--------|--------------------------------|--------------------|--|

Not Applicable Since our Company does not have any operations / offices in / around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
|-----------------------------------|----------------------|------|---|--|-------------------|

NOT APPLICABLE Since our Company has not undertaken any projects that require an Environmental Impact Assessment (EIA).

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

YES. Our Company is fully Compliant with the applicable environmental laws, regulations and guidelines in India.

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non- compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------|---|--|---|---------------------------------|
|--------|---|--|---|---------------------------------|

Not Applicable

### Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

None of the facilities or plants of the Company are located on areas of water stress.

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area : Not Applicable

(ii) Nature of operations : Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format: Not Applicable

| Parameter   | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|---|--|---|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |  |   |
| (i) Surface water   | 0                                      | 0                                       |
| (ii) Groundwater  | 0                                      | 0                                       |
| (iii) Third party water   | 0                                      | 0                                       |
| (iv) Seawater / desalinated water   | 0                                      | 0                                       |
| (v) Others  | 0                                      | 0                                       |
| <b>Total volume of water withdrawal (in kilolitres)</b>                               | 0                                      | 0                                       |
| <b>Total volume of water consumption (in kilolitres)</b>                              | 0                                      | 0                                       |
| <b>Water intensity per rupee of turnover (Water consumed / turnover)</b>              | 0                                      | 0                                       |
| <b>Water intensity (optional) – the relevant metric may be selected by the Entity</b> | 0                                      | 0                                       |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>          |  |   |
| (i) Into Surface water  |  |   |
| - No treatment  | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                  | 0                                      | 0                                       |
| (ii) Into Groundwater   |  |   |
| - No treatment  | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                  | 0                                      | 0                                       |
| (iii) Into Seawater   |  |   |
| - No treatment  | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                  | 0                                      | 0                                       |
| (iv) Sent to third-parties  |  |   |
| - No treatment  | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                  | 0                                      | 0                                       |
| (v) Others  |  |   |
| - No treatment  | 0                                      | 0                                       |
| - With treatment – please specify level of treatment                                  | 0                                      | 0                                       |
| <b>Total water discharged (in kilolitres)</b>   | 0                                      | 0                                       |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter  | Unit  | FY 2023-24<br>Current Financial Year  | FY 2022-23<br>Previous Financial Year |
|--|---|---|---------------------------------------|
| <b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | <i>Metric tonnes of CO<sub>2</sub> Equivalent</i> | The process is expected to take some time and at the year end March 31, 2024 the data is not available. |                                       |
| <b>Total Scope 3 emissions per rupee of turnover</b>   |   |   |                                       |
| <b>Total Scope 3 emission intensity</b> ( <i>optional</i> ) – the relevant metric may be selected by the entity  |   |   |                                       |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company does not have any plants/offices/units in ecologically sensitive areas

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| Sr. No | Initiative undertaken   | Details of the initiative (Web-link, if any, may be provided along-with summary)   | Outcome of the initiative                                    |
|--------|---|--|--|
| 1      | Installation of rooftop solar panels  | 1. Solar Rooftop Installed at Below Plants<br>Athal- 0.840 MWp DC<br>Haridwar- 2.050 MWp DC<br>Jaipur- 1.0 MWp DC<br>Dadra- 1.420 MWp DC<br>Sangareddy- 2.340 MWp DC<br>Chennai- 0.70 MWp DC | Total Renewable Power Capacity – 8.4 MWp DC in Plant (PPFL)  |
| 2      | Maintaining Zero Liquid Discharge   | Installed Cumulative 205 KLD STP at all plants   | Utilised treated water for gardening.                        |
| 3      | Installation of energy saving equipments at all manufacturing units/offices | 1.Purchased Energy Efficient Equipment<br>2.IE3/IE4 Motor for all our equipment Replacing less output machines with high output  | Per Kg Energy consumption reduced                            |
| 4      | Wind Energy   | Captive Wind Generation at below Plants<br>PPK-<br>PPC-  | PPK- 15 Lakhs Units Per Year<br>PPC- 80 Lakhs Units Per Year |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, The Company has designed a business continuity and disaster management plan. The aforesaid plan adequately addresses the procedures and processes to ensure seamless production and loss of market share in the event of any disruptions like cloud burst, floods, earthquakes. High level management team is trained and periodically updated on any new upgradation of technology adopted in the event of any disruptions. The disaster management plan also ensures no loss of Information Technology data and sensitive production and manufacturing processes of the Company.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

The Company is committed to improving climate change and is sensitive to the environment. It is with this background that the

Company has got ISO 14001:2015 (Environment Management System), ISO 50001:2018 (Energy Management System).

Annual audits are conducted by international independent agencies and all observations/improvement recommendations are taken seriously by the management and implemented within the planned time frame.

All the suggestions, specially those aimed at enhancing sustainable practices are also communicated to the value chain partners and they are impressed upon to adopt such practices.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Our Company has taken initiatives to roll out an implementable plan that will cover value chain partners in phases depending on their respective financial muscle, business potential and other relevant factors to ensure that synergies are integrated for our business partners.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is a member of 2 (Two) trade organizations.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1      | OPPI: Organisation of Plastic Processors of India     | National  |
| 2      | JITO: Jain International Trade Organisation           | International   |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable    |                   |                         |

**Leadership Indicators**

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|--------|-------------------------|-----------------------------------|--|---|------------------------|
|--------|-------------------------|-----------------------------------|--|---|------------------------|

Our Company is regularly required to interact with various government offices including policy decision makers at various state and central government offices. The Company actively participates and is adequately represented through Organisation of Plastic Processors of India and Jain International Trade Organisation.

Our Company's suggestions to the aforesaid two trade organizations are generally made at industry meetings to enhance productivity, embrace clean and renewable energy sources and ensuring sustainable manufacturing processes keeping the environment in mind.

## PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

During the financial year 2023-24, the Company has not initiated any independent Social Impact Assessment. Being a progressive minded organization, we are gearing up to undertake Social Impact Assessment in a phased and methodical manner.

| Name and brief details of project | SIA Notification No. | Date of Notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
|-----------------------------------|----------------------|----------------------|---|--|-------------------|

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| Sr. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAF's covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|---------|--|-------|----------|---|---------------------------|---|
|---------|--|-------|----------|---|---------------------------|---|

Not Applicable

All our plants are located in areas which have not been affected by any circumstances which necessitate Rehabilitation and Resettlement

3. Describe the mechanisms to receive and redress grievances of the community.

Our Company is receptive and engages with the community surrounding and across our manufacturing units. Various programs are held to support communities in the form of Blood Donation and medical camps and in celebration of national events like Independence Day, Republic Day, International Yoga Day etc.

The task force head at each unit/plant periodically interacts with the concerned government officials to ensure our policy of encouraging inclusive growth and proactively addressing grievances of the local communities.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Indicate input material                      | FY 2023-24<br>(Current Financial Year)   | FY 2022-23<br>(Previous Financial Year) |
|--|--|---|
| Directly sourced from MSMEs/ small producers | 8%   | 12%                                     |
| Directly from within India                   | The Company always ensures best quality of input raw material which is generally not available in districts and neighboring districts. |   |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

| Location     | FY 2023-24<br>(Current Financial Year) | FY 2022-23<br>(Previous Financial Year) |
|--------------|--|---|
| Rural        | 8.97%                                  | 8.13%                                   |
| Semi-urban   | 8.47%                                  | 8.51%                                   |
| Urban        | 4.77%                                  | 4.88%                                   |
| Metropolitan | 77.79%                                 | 78.47%                                  |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| Not Applicable                               |                         |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No.       | State                    | Aspirational District | Amount Spent (in INR) in millions |
|--------------|--------------------------|-----------------------|-----------------------------------|
| 1.           | Maharashtra              | Pune                  | 2.50                              |
| 2.           | Gujarat                  | Kutch                 | 2.00                              |
| 3.           | Gujarat                  | Bhavnagar             | 10.00                             |
| 4.           | Rajasthan                | Chomu                 | 26.09                             |
| 5.           | Telangana                | Sangareddy            | 5.57                              |
| 6.           | Delhi & Himachal Pradesh | Solan                 | 10.00                             |
| <b>TOTAL</b> |                          |                       | <b>56.16</b>                      |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?  
Presently, our Company does not have a preferential procurement policy.
- (b) From which marginalized /vulnerable groups do you procure?  
Not Applicable
- (c) What percentage of total procurement (by value) does it constitute?  
Not Applicable
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: **PATENT/TRADEMARK**

| S. No. | Intellectual Property based on traditional knowledge | Owned/Acquired (Yes/No) | Benefit Shared (Yes/No) | Basis calculating benefit share (Yes/No) |
|--------|--|-------------------------|-------------------------|--|
|--------|--|-------------------------|-------------------------|--|

The Company owns registered patents and trademark created over the last few decades and have also acquired the trademark "Trubore" after its acquisition of Chennai plant in the year 2012.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of Authority | Brief of Case | Corrective action taken |
|-------------------|---------------|-------------------------|
| Not Applicable    |               |                         |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|-------------|---|--|
|--------|-------------|---|--|

All our CSR initiatives during the financial year 2023-24 are aimed at providing social benefits to the marginalized and vulnerable groups in our society, Details of CSR activities forms part of this Annual Report.

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner****Essential Indicators**

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our Company has a well-defined mechanism to address and resolve Customer complaints. The complaints received are collated by a responsible dedicated officer. The Area Marketing head gives the feedback of the complaints to the respective product manufacturing head. A dedicated toll-free customer care number of the Company is available on the website and on the packing of the material/product. All complaints are periodically reviewed to ensure customer satisfaction and a replacement or refund is initiated to the aggrieved customer

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| Name and brief details of project                           | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 100%                              |
| Safe and responsible usage                                  | 100%                              |
| Recycling and/or safe disposal                              | 100%                              |

- Number of consumer complaints in respect of the following:

| Benefits                       | FY 2023-24<br>Current Financial Year |                                   |         | FY 2022-23<br>Previous Financial Year |                                   |         |
|--------------------------------|--------------------------------------|-----------------------------------|---------|---------------------------------------|-----------------------------------|---------|
|                                | Received during the year             | Pending resolution at end of year | Remarks | Received during the year              | Pending resolution at end of year | Remarks |
| Data privacy                   | 0                                    | 0                                 |         | 0                                     | 0                                 |         |
| Advertising                    | 0                                    | 0                                 |         | 0                                     | 0                                 |         |
| Cyber-security                 | 0                                    | 0                                 |         | 0                                     | 0                                 |         |
| Delivery of essential services | 0                                    | 0                                 |         | 0                                     | 0                                 |         |
| Restrictive Trade Practices    | 0                                    | 0                                 |         | 0                                     | 0                                 |         |
| Unfair Trade Practices         | 0                                    | 0                                 |         | 0                                     | 0                                 |         |
| Other                          | 0                                    | 0                                 |         | 0                                     | 0                                 |         |

- Details of instances of product recalls on account of safety issues:

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary Recalls | 0      | 0                  |
| Forced Recalls    | 0      | 0                  |

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. (The policy is available on <https://www.princepipes.com/investors/corporate-governance/policies>)

- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such instances during the financial year 2023-24.

7. Provide the following information relating to data breaches:
  - a. Number of instances of data breaches : NIL for financial year 2023-24
  - b. Percentage of data breaches involving personally identifiable information of customers: NIL for financial year 2023-24
  - c. Impact, if any, of the data breaches: NA

#### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).  
The Company provides information about the product and services through its Website, News Paper /TV advertisements and digital marketing channels. Primary source of the information is our corporate website which can be accessed on <https://www.princepipes.com/>. Regular sales meet, distributors and retailers meets are held for each geographical location and new product/product innovations are made aware to the respective channel partners.
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.  
Information regarding usage of product and end use applications are given in the respective Product catalogue, Website of the Company and the interactive digital marketing channels The information on proper usage of Industrial and construction products is provided with live demonstrations to end users periodically.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.  
The Company's products currently are not classified as essential services hence Not Applicable
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No): YES  
Our Company ensures continuous engagement with customers to enhance customer satisfaction and product utility. Regular interface on a continuous basis by our channel partners and our sales force and any queries/concerns are addressed effectively.
5. The customer care number of the Company is 18001028307 and the email id on which customers may address their concerns is [info@princepipes.com](mailto:info@princepipes.com)

## INDEPENDENT AUDITOR'S REPORT

To The Members  
Prince Pipes and Fittings Limited

### Report on the Audit of 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 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2024, 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 Standards 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. 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><b>Provision for Discount &amp; Incentives</b></p> <ul style="list-style-type: none"> <li>Revenue is measured net of discounts, incentives and rebates given to the customers on the Company's sales.</li> <li>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.</li> <li>Given the complexity and judgement required to assess the year end provision for discounts, incentives and rebates given to customers, this is a key audit matter.</li> </ul> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>We have assessed the Company's accounting policies relating to revenue, discounts, incentives and rebate by comparing with applicable Ind AS.</li> <li>We have assessed the Company's computations and internal controls for accrual of discounts incentives and rebates.</li> <li>On a sample basis, checked the accruals made with the approved schemes and underlying documents.</li> </ul> <p>We have compared the historical trend of discounts and incentives to provisions made to assess the current year accruals.</p> |

| Key Audit Matters  | How the matter was addressed in our Audit   |
|--|---|
| <p><b>Comprehensive coverage and valuation of inventories</b></p> <ul style="list-style-type: none"> <li>Inventories constitute significant portion of current assets of the Company as at 31st March 2024. Further, the inventories are lying at various locations including at third party premises. Considering the overall amounts involved, inventory existence and its valuation is considered as key audit matter.</li> </ul>   | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Assessment of the design, implementation and operational effectiveness of the relevant controls in place in the inventory management and measurement process.</li> <li>Review of outcome of physical verification of inventories undertaken by the Company across the locations including goods in transit and its impact on inventory valuation.</li> <li>Evaluation of the inventory costing methodology and valuation policy established by the management, including compliance with Ind AS 2 Inventories.</li> </ul>  |
| <p><b>Migration to new information systems</b></p> <ul style="list-style-type: none"> <li>During the year, the Company has upgraded its ERP system from 'Microsoft Dynamics Navision' to 'Microsoft Dynamics 365'.</li> <li>Such significant system change increases the risk to the internal financial controls environment. These changes represent a financial reporting risk while migration takes place as controls and processes that have been established over a number of years are updated and migrated into a new environment. Hence, considering the significance of the activity and the pervasive impact on the financial statements, this matter has been determined as a key audit matter for current year audit.</li> </ul> | <p>Our audit work included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>Obtained the understanding of the process followed by the Company for implementing the new IT system and migration of data from erstwhile IT systems into Microsoft Dynamics 365, including proper authorization, completeness, accuracy and manual / alternate controls put in place till the new systems are streamlined and stabilized.</li> <li>Tested the migrated balances, for completeness and accuracy.</li> <li>Discussion with the IT team and Internal Auditors of the Company about the implementation of new ERP, IT General Controls, and on-going improvements in the system.</li> <li>Extended our sample sizes (i.e. substantive test) to obtain sufficient and appropriate audit evidence.</li> </ul> |

### Information Other than the Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Reporting, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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 the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, 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) specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Ind AS financial statements**

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

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

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, read with our comments stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. Our comments relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "II".
  - h. 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; and
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer 34(i) to the Ind AS financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. During the year, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The management has represented that,
      - no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
      - no funds have been received by the Company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations given by the management contain any material mis-statement. Also refer note 49 of Ind AS financial statement.
    - v. As stated in note 45 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend

declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the Company has used accounting software (i.e. ERP ) for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all transactions recorded in the software except for non-transactional activities for which the Company is in the process to enable a feature of recording audit trail (edit log) facility pursuant to migration to new accounting software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with. Also refer note 53 to the financial statements.

As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration Number: 116560W/W100149

**Milan Mody**

Partner

Membership No. 103286

UDIN: 24103286BKEMWY1943

Place: Mumbai

Date: 16th May 2024

## Annexure I to the Independent Auditors' Report for the year ended 31st March 2024

(REFERRED TO IN 'OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE')

- (i) In respect of Property, Plant and Equipment, intangible assets and right of use assets:
  - (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment and right of use assets by which all Property, Plant and Equipment and right of use 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 (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
  - (d) During the year, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets.
  - (e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) In respect of Inventory:
  - a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records were less than 10% in aggregate for each class of inventory.
  - b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; and the Company has filed quarterly returns or statements with the banks which are in agreement with the books of accounts. Also, there are no borrowings from financial institutions.
- (iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, no further comments are required on paragraph 3(iii)(a) to (f) of the Order.
- (iv) In our opinion and according to the information and explanation 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) The Company has not accepted any deposits or amounts which are deemed to be deposits from public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules made thereunder. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as prescribed by the Central Government for the maintenance of cost records under Section 148 (1) of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company, during the year

with the appropriate authorities. There are no undisputed statutory dues payable in respect to above statutes, outstanding as at 31st March, 2024, for a period of more than six months from the date they became payable.

- (b) According to 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, 2024 on account of disputes are given below:

| Name of statutes                        | Nature of dues                           | Amount (Rs.) in Millions | Period to which it relates | Forum where dispute is pending                |
|---|--|--------------------------|----------------------------|---|
| The Income Tax Act, 1961                | Income tax and Interest/ Penalty thereon | 7.76                     | A.Y. 2014-15               | DCIT, Mumbai                                  |
|   |  | 1.94                     | A.Y. 2015-16               | IT Officer (CPC)                              |
| Sales Tax, Value Added Tax Laws and GST | Value Added Tax                          | 2.40                     | F.Y. 2016-17               | Joint Commissioner of State Tax (Maharashtra) |
|   |  | 1.52                     | F.Y. 2010-11               | Gujrat Sales Tax Dept                         |
|   | GST and Penalty                          | 3.50                     | 2017-18 to 2019-20         | Chennai Appeals II - Commissionerate          |
|   | GST and Penalty                          | 1.06                     | 2017-18 to 2019-20         | Chennai Appeals II - Commissionerate          |
| Central Excise Act, 1944                | Excise Duty                              | 0.37                     | A.Y. 2008-09               | Assistant Commissioner of CEC                 |

- (viii) In our opinion and according to the information and explanations given to us by the management, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, no further comments are required on paragraph 3(viii) of the Order.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that—
- The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
  - The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
  - According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - The Company does not have any subsidiary, associate or joint venture and hence the provisions of clause (ix) (e) and (f) of paragraph 3 of the Order are not applicable to the Company.
- (x) In our opinion and according to the information and explanations given to us by the management of the Company:
- During the year the Company has not raised any money by way of public offer or further public offer (including debt instruments). Therefore, reporting under clause (x)(a) of paragraph 3 of the order is not applicable to the Company.
  - The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the order is not applicable to the Company.
- (xi) In our opinion and according to the information and explanations given to us by the management of the Company:
- No fraud by the Company or any material fraud on the Company has been noticed or reported during the year.
  - No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - No whistle-blower complaints received during the year and upto the date of this report by the Company.

- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the records, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) In regard to internal audit:
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of this report, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanation given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, question of our comment on compliance with provisions of Section 192 of the Act does not arise.
- (xvi) According to the information and explanation given to us and based on our examination of the records,
- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
  - b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Therefore, the paragraph 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records, during the year there are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.
- (xxi) The Company is not required to prepare consolidated Ind AS financial statement. Therefore, paragraph 3(xxi) of the Order is not applicable to the Company.

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration Number: 116560W/W100149

**Milan Mody**

Partner

Membership No. 103286

UDIN: 24103286BKEMWY1943

Place: Mumbai

Date: 16th May 2024

## Annexure “II” to Independent Auditor’s Report for the year ended 31st March 2024

[Referred to in paragraph 2 (f) under the heading “Report on other legal and regulatory requirements” of our report of even date]

### Report on the Internal Financial Controls over Financial Reporting under section 143(3)(i) of the Companies Act, 2013 (“the Act”)

#### Opinion

We have audited the internal financial controls over financial reporting of **Prince Pipes and Fittings Limited** (“the Company”), as of 31st March 2024, 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). Also refer to our comments in audit report under section ‘Report on other Legal and Regulatory Requirements’ in the para 2 (i)(vi) about audit trail and edit log.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit issued by 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 Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the Ind AS financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### For N. A. Shah Associates LLP

Chartered Accountants

Firm Registration Number: 116560W/W100149

#### Milan Mody

Partner

Membership No. 103286

UDIN: 24103286BKEMWY1943

Place: Mumbai

Date: 16th May 2024

## BALANCE SHEET

as at 31st March, 2024

(Rs. in millions)

| Particulars                          | Note No | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--------------------------------------|---------|---------------------|---------------------|
| <b>ASSETS</b>                        |         |                     |                     |
| <b>Non-Current Assets</b>            |         |                     |                     |
| Property, Plant and Equipment        | 5       | 7,736.31            | 6,749.69            |
| Capital Work in Progress             | 5       | 352.61              | 190.33              |
| Right-of-Use Assets                  | 5       | 151.96              | 45.54               |
| Goodwill                             | 5       | 2.96                | 2.96                |
| Other Intangible Assets              | 5       | 84.50               | 7.51                |
| Intangible Assets under development  | 5       | 0.94                | 45.27               |
| Financial Assets                     |         |                     |                     |
| Investments                          | 6       | 2.90                | 2.90                |
| Other Financial Assets               | 8       | 129.84              | 107.84              |
| Other Non-Current Assets             | 9       | 305.21              | 159.00              |
| <b>Total Non-Current Assets</b>      |         | <b>8,767.24</b>     | <b>7,311.04</b>     |
| <b>Current Assets</b>                |         |                     |                     |
| Inventories                          | 10      | 4,378.90            | 4,256.45            |
| Financial Assets                     |         |                     |                     |
| Investments                          | 6       | 378.98              | 916.96              |
| Trade Receivables                    | 11      | 5,848.72            | 4,150.24            |
| Cash and Cash Equivalents            | 12      | 761.37              | 1,214.65            |
| Other Balances with Banks            | 13      | 15.77               | 8.50                |
| Loans                                | 7       | 4.09                | 4.77                |
| Other Financial Assets               | 8       | 11.66               | 27.77               |
| Current Tax Assets                   | 14      | 10.20               | -                   |
| Other Current Assets                 | 9       | 1,055.40            | 1,397.07            |
| <b>Total Current Assets</b>          |         | <b>12,465.08</b>    | <b>11,976.42</b>    |
| <b>Total Assets</b>                  |         | <b>21,232.32</b>    | <b>19,287.47</b>    |
| <b>EQUITY AND LIABILITIES</b>        |         |                     |                     |
| <b>Equity</b>                        |         |                     |                     |
| Equity Share Capital                 | 15      | 1,105.61            | 1,105.61            |
| Other Equity                         |         | 14,338.42           | 12,534.03           |
| <b>Total Equity</b>                  |         | <b>15,444.03</b>    | <b>13,639.64</b>    |
| <b>Liabilities</b>                   |         |                     |                     |
| <b>Non-Current Liabilities</b>       |         |                     |                     |
| Financial Liabilities                |         |                     |                     |
| Borrowings                           | 16      | 188.97              | -                   |
| Lease Liabilities                    | 18      | 98.74               | 30.73               |
| Provisions                           | 19      | 177.84              | 137.69              |
| Deferred Tax Liabilities (Net)       | 20      | 190.61              | 136.58              |
| <b>Total Non-Current Liabilities</b> |         | <b>656.16</b>       | <b>305.00</b>       |

(Rs. in millions)

| Particulars                                | Note No | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--|---------|---------------------|---------------------|
| <b>Current Liabilities</b>                 |         |                     |                     |
| Financial Liabilities                      |         |                     |                     |
| Borrowings                                 | 16      | 955.44              | 581.34              |
| Lease Liabilities                          | 18      | 53.26               | 16.65               |
| Trade Payables                             |         |                     |                     |
| Outstanding to Micro and Small Enterprises | 21      | 434.36              | 334.94              |
| Other than Micro and Small Enterprises     | 21      | 2,057.03            | 2,867.01            |
| Other Financial Liabilities                | 17      | 633.97              | 404.17              |
| Provisions                                 | 19      | 26.31               | 19.54               |
| Current Tax Liabilities                    | 22      | -                   | 169.54              |
| Other Liabilities                          | 23      | 971.77              | 949.63              |
| <b>Total Current Liabilities</b>           |         | <b>5,132.13</b>     | <b>5,342.84</b>     |
| <b>Total Liabilities</b>                   |         | <b>5,788.29</b>     | <b>5,647.83</b>     |
| <b>Total Equity and Liabilities</b>        |         | <b>21,232.32</b>    | <b>19,287.47</b>    |
| Notes to the financial statements          | 1 to 51 |                     |                     |

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

As per our attached report on even date

For and on behalf of the Board of Directors

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration Number: 116560W/W100149

**Milan Mody**

Partner

Membership No. 103286

Place: Mumbai

Date: 16.05.2024

**Jayant S. Chheda**

Managing Director

(DIN No : 00013206)

**Anand Gupta**

Chief Financial Officer

Place: Mumbai

Date: 16.05.2024

**Parag J. Chheda**

Director

(DIN No : 00013222)

**Shailesh Bhaskar**

Company Secretary

## STATEMENT OF PROFIT AND LOSS

For The Year Ended 31st March, 2024

(Rs. in millions)

| Particulars   | Note No   | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|---|-----------|-------------------------------|-------------------------------|
| <b>REVENUE</b>  |           |                               |                               |
| Revenue from Operations   | 24        | 25,687.48                     | 27,108.71                     |
| Other Income  | 25        | 160.93                        | 85.50                         |
| <b>Total Revenue</b>  |           | <b>25,848.41</b>              | <b>27,194.21</b>              |
| <b>EXPENSES</b>   |           |                               |                               |
| Cost of Materials Consumed  | 26        | 17,544.72                     | 19,790.07                     |
| Purchase of Stock-in-Trade  | 27        | 731.72                        | 785.91                        |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress           | 28        | (83.40)                       | 345.95                        |
| Employee Benefit Expense  | 29        | 1,476.93                      | 1,160.51                      |
| Finance Cost  | 30        | 65.00                         | 110.13                        |
| Depreciation and Amortization Expenses  | 5         | 911.67                        | 830.11                        |
| Other Expenses  | 31        | 2,943.36                      | 2,523.12                      |
| <b>Total Expenses</b>   |           | <b>23,590.00</b>              | <b>25,545.80</b>              |
| <b>Profit before Exceptional Items and Tax</b>  |           | <b>2,258.41</b>               | <b>1,648.41</b>               |
| Exceptional Item  | 5a        | 179.27                        | -                             |
| <b>Profit after Exceptional Items and before Tax</b>                                    |           | <b>2,437.68</b>               | <b>1,648.41</b>               |
| <b>Tax Expense</b>  |           |                               |                               |
| Current tax   |           | 551.86                        | 420.07                        |
| Deferred tax  |           | 59.87                         | 15.84                         |
| (Excess) / Short Provision for tax adjustments in respect of earlier years (Net)        |           | 0.99                          | (1.71)                        |
| <b>Total Tax Expense</b>  |           | <b>612.72</b>                 | <b>434.20</b>                 |
| <b>Profit for the year after Tax</b>  |           | <b>1,824.97</b>               | <b>1,214.21</b>               |
| <b>Other Comprehensive Income</b>   |           |                               |                               |
| Items that will not be reclassified to Profit or Loss                                   |           | (26.40)                       | (8.20)                        |
| Income tax relating to items that will not be reclassified to profit or loss            |           | 5.83                          | 2.06                          |
| <b>Total Other Comprehensive Income</b>   |           | <b>(20.57)</b>                | <b>(6.14)</b>                 |
| <b>Total Comprehensive Income for the year</b>  |           | <b>1,804.40</b>               | <b>1,208.07</b>               |
| <b>Earning per equity share in ₹ (Face Value per Share Rs 10 each) (Not Annualised)</b> | <b>39</b> |                               |                               |
| Basic (in ₹) (excluding exceptional item)   |           | 14.88                         | 10.98                         |
| Basic (in ₹) (including exceptional item)   |           | 16.51                         | 10.98                         |
| Diluted (in ₹) (excluding exceptional item)   |           | 14.88                         | 10.98                         |
| Diluted (in ₹) (including exceptional item)   |           | 16.51                         | 10.98                         |

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

As per our attached report on even date

For N. A. Shah Associates LLP

Chartered Accountants

Firm Registration Number: 116560W/W100149

Milan Mody

Partner

Membership No. 103286

Place: Mumbai

Date: 16.05.2024

For and on behalf of the Board of Directors

Jayant S. Chheda

Managing Director  
(DIN No : 00013206)

Anand Gupta

Chief Financial Officer

Place: Mumbai

Date: 16.05.2024

Parag J. Chheda

Director  
(DIN No : 00013222)

Shailesh Bhaskar

Company Secretary

## CASH FLOW STATEMENT

For The Year Ended 31st March, 2024

(Rs. in millions)

| Particulars  | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|--|--------------------------|--------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                            |                          |                          |
| Net Profit/ (Loss) Before Tax (Including Exceptional Items)              | 2,437.68                 | 1,648.41                 |
| Less : Exceptional Item  | 179.27                   | -                        |
| <b>Net Profit/ (Loss) Before Tax (Excluding Exceptional Items)</b>       | <b>2,258.41</b>          | <b>1,648.41</b>          |
| <b>Adjustments for:</b>  |                          |                          |
| Depreciation and Amortisation Expenses                                   | 911.67                   | 830.11                   |
| Provision for Gratuity and Leave Encashment                              | 46.92                    | 0.08                     |
| Interest expenses  | 48.73                    | 102.40                   |
| Interest Received  | (64.62)                  | (47.58)                  |
| Bank Commission and Charges paid   | 16.27                    | 7.73                     |
| Provision for Doubtful Debts (net of utilised)                           | 89.40                    | 31.75                    |
| Provision for Doubtful Advances  | (8.30)                   | (9.10)                   |
| Unrealised Foreign Exchange Difference                                   | 10.27                    | (6.49)                   |
| Mark to Market loss/ (gain) on Derivatives                               | (0.99)                   | 7.85                     |
| Balances written back  | (31.66)                  | (3.43)                   |
| (Profit)/Loss on sale of Investment                                      | -                        | (2.17)                   |
| (Profit)/Loss on redemption of Current Investments                       | (34.11)                  | (7.79)                   |
| Gain/Loss on fair valuation of Investments through Profit and loss       | (21.31)                  | (20.76)                  |
| (Profit)/Loss on sale of Property, Plant and Equipment                   | (8.22)                   | (2.46)                   |
| Dividend Received  | -                        | (0.09)                   |
| <b>Operating Profit before Working Capital Changes</b>                   | <b>3,212.46</b>          | <b>2,528.46</b>          |
| <b>Adjustments for :</b>   |                          |                          |
| Decrease/(Increase) in Inventories                                       | (122.45)                 | 1,931.66                 |
| Decrease/(Increase) in Trade Receivables                                 | (1,786.06)               | 167.62                   |
| Decrease/(Increase) in Other financial/ Non financial Assets             | 312.51                   | (395.24)                 |
| Increase/(Decrease) in Trade Payables                                    | (690.72)                 | (777.33)                 |
| Increase/(Decrease) in Other financial/ Non financial Liabilities        | 135.83                   | 547.77                   |
| <b>Cash Generated from Operations</b>                                    | <b>1,061.58</b>          | <b>4,002.94</b>          |
| Taxes paid (net)   | (732.59)                 | (401.36)                 |
| <b>Net Cash Flow from Operating Activities (A)</b>                       | <b>328.98</b>            | <b>3,601.58</b>          |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                            |                          |                          |
| Purchase of Property, Plant and Equipment including CWIP                 | (1,872.64)               | (902.93)                 |
| Intangible asset (including intangible assets under development)         | (62.83)                  | (43.95)                  |
| Sale of Property, Plant and Equipment                                    | 27.16                    | 8.53                     |
| Decrease/(Increase) in fixed deposits                                    | (7.28)                   | 240.95                   |
| Sale of Non-Current Investment   | -                        | 17.64                    |
| Purchase of Non - Current Investment                                     | -                        | (1.50)                   |
| Purchase of Current Investment   | (1,300.12)               | (2,440.19)               |
| Sale of Current Investment   | 1,893.52                 | 1,652.21                 |
| Interest Received  | 64.62                    | 47.58                    |
| Dividend Received  | -                        | 0.09                     |
| <b>Net Cash Flow from Investing Activities (B)</b>                       | <b>(1,257.57)</b>        | <b>(1,421.58)</b>        |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                            |                          |                          |
| Proceeds from Long Term Borrowings                                       | 188.97                   | -                        |
| Proceeds/(repayment) of Short Term Borrowings (Net)                      | 371.11                   | (918.66)                 |
| Dividend paid  | -                        | (221.12)                 |
| Payment of leases  | (22.39)                  | (34.75)                  |
| Bank Commission and Charges paid   | (16.27)                  | (7.73)                   |
| Interest paid  | (46.13)                  | (99.21)                  |
| <b>Net Cash Flow from Financing Activities (C)</b>                       | <b>475.30</b>            | <b>(1,281.47)</b>        |
| <b>D. Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b> | <b>(453.28)</b>          | <b>898.53</b>            |
| Cash and Cash Equivalents at the beginning of the year                   | 1,214.65                 | 316.12                   |
| Cash and Cash Equivalents at the end of the year                         | 761.37                   | 1,214.65                 |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>            | <b>(453.28)</b>          | <b>898.53</b>            |

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

## CASH FLOW STATEMENT

For The Year Ended 31st March, 2024

Notes :

- a. 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.
- b. Cash and Cash equivalents comprises of on hand and with Banks.

(Rs. in millions)

| Particulars   | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|---|--------------------------|--------------------------|
| Balances with Banks   | 760.83                   | 1,213.59                 |
| Cash on Hand  | 0.53                     | 1.05                     |
| <b>Cash and Bank Balance as per Balance Sheet (Refer Note 12)</b> | <b>761.37</b>            | <b>1,214.65</b>          |

- c. Transactions not impacting cash flows in case of finance lease

(Rs. in millions)

| Particulars                          | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|--------------------------------------|--------------------------|--------------------------|
| Depreciation on Right-of-Use-Assets  | 21.09                    | 28.49                    |
| Interest expenses on lease liability | 2.60                     | 3.19                     |
| <b>Total</b>                         | <b>23.69</b>             | <b>31.68</b>             |

- d. Changes in liabilities arising from financing activity

(Rs. in millions)

| Particulars  | As at 01-04-2023 | Cash flows    | Non-Cash changes | As at 31-03-2024 |
|--|------------------|---------------|------------------|------------------|
| Non-Current Borrowing (including current maturity of non-current borrowings) | -                | 188.97        | -                | 188.97           |
| Lease Liabilities  | 47.38            | (22.39)       | 127.00           | 152.00           |
| Current Borrowings   | 581.34           | 374.10        | -                | 955.44           |
| <b>Total</b>   | <b>628.72</b>    | <b>540.69</b> | <b>127.00</b>    | <b>1,296.41</b>  |

(Rs. in millions)

| Particulars  | As at 01-04-2022 | Cash flows      | Non-Cash changes | As at 31-03-2023 |
|--|------------------|-----------------|------------------|------------------|
| Non-Current Borrowing (including current maturity of non-current borrowings) | -                | -               | -                | -                |
| Lease Liabilities  | 19.28            | (34.79)         | 62.89            | 47.38            |
| Current Borrowings   | 1,500.00         | (918.66)        | -                | 581.34           |
| <b>Total</b>   | <b>1,519.28</b>  | <b>(953.45)</b> | <b>62.89</b>     | <b>628.72</b>    |

As per our attached report on even date

For and on behalf of the Board of Directors

For N. A. Shah Associates LLP

Chartered Accountants

Firm Registration Number: 116560W/W100149

**Milan Mody**

Partner

Membership No. 103286

Place: Mumbai

Date: 16.05.2024

**Jayant S. Chheda**

Managing Director

(DIN No : 00013206)

**Anand Gupta**

Chief Financial Officer

Place: Mumbai

Date: 16.05.2024

**Parag J. Chheda**

Director

(DIN No : 00013222)

**Shailesh Bhaskar**

Company Secretary

## STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2024

### Equity Share Capital

₹ in million

|   | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| Balance at the beginning of the year    | 1,105.61            | 1,105.61            |
| Changes during the year (Refer note 15) | -                   | -                   |
| <b>Balance at the end of the year</b>   | <b>1,105.61</b>     | <b>1,105.61</b>     |

### Other Equity

For the year ended 31st March, 2024

(Rs. in millions)

| Particulars   | Reserves and Surplus |                                  |                                  |                      | FVOCI-<br>Equity<br>Instruments | Total            |
|---|----------------------|----------------------------------|----------------------------------|----------------------|---------------------------------|------------------|
|   | Capital<br>Reserve   | Capital<br>redemption<br>Reserve | Securities<br>Premium<br>Account | Retained<br>Earnings |                                 |                  |
| Balance as at 1st April, 2023   | 48.37                | 30.00                            | 3,289.77                         | 9,166.20             | (0.30)                          | 12,534.03        |
| Profit for the Year (1)   |                      |                                  |                                  | 1,824.97             |                                 | 1,824.97         |
| Remeasurement of the net defined benefit liability/asset, net of tax effect** (2) |                      |                                  |                                  | (20.57)              |                                 | (20.57)          |
| Transfer from Other Reserves (3)  |                      |                                  |                                  |                      |                                 | -                |
| <b>Total Comprehensive Income ( 1+ 2 + 3)</b>                                     | -                    | -                                | -                                | <b>1,804.40</b>      | -                               | <b>1,804.40</b>  |
| Dividends paid  |                      |                                  |                                  |                      |                                 | -                |
| <b>Balance as at 31st March, 2024</b>   | <b>48.37</b>         | <b>30.00</b>                     | <b>3,289.77</b>                  | <b>10,970.60</b>     | <b>(0.30)</b>                   | <b>14,338.42</b> |

For the year ended 31st March, 2023

(Rs. in millions)

| Particulars   | Reserves and Surplus |                                  |                                  |                      | FVOCI-<br>Equity<br>Instruments | Total            |
|---|----------------------|----------------------------------|----------------------------------|----------------------|---------------------------------|------------------|
|   | Capital<br>Reserve   | Capital<br>redemption<br>Reserve | Securities<br>Premium<br>Account | Retained<br>Earnings |                                 |                  |
| Balance as at 1st April, 2022   | 48.37                | 30.00                            | 3,289.77                         | 8,179.25             | (0.30)                          | 11,547.08        |
| Profit for the Year (1)   |                      |                                  |                                  | 1,214.21             |                                 | 1,214.21         |
| Remeasurement of the net defined benefit liability/asset, net of tax effect (2)** |                      |                                  |                                  | (6.14)               |                                 | (6.14)           |
| <b>Total Comprehensive Income ( 1+ 2 )</b>  | -                    | -                                | -                                | <b>1,208.07</b>      | -                               | <b>1,208.07</b>  |
| Dividends paid*   | -                    | -                                | -                                | (221.12)             | -                               | (221.12)         |
| <b>Balance at 31st March, 2023</b>  | <b>48.37</b>         | <b>30.00</b>                     | <b>3,289.77</b>                  | <b>9,166.20</b>      | <b>(0.30)</b>                   | <b>12,534.03</b> |

\* Dividend paid during the previous year represents dividend paid for F.Y. 2021-22

\*\*Represents remeasurement of defined benefit plans (net of tax)

## STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2024

### Notes: Nature and Purpose of Reserves

- a) Capital Reserve : The company has created capital reserves out of merger approval of Kenson Manufacture Pvt Ltd. Capital Reserves are created during business combination on account of merger of Kenson Manufacture Private Limited in the year ended 31st March, 2013
- b) Capital Redemption Reserve : These reserves are created by way of buyback of shares by the Company in the year ended 31st March, 2017. This reserve will be utilised in accordance with Section 69 of The Companies Act, 2013.
- c) Securities Premium : These reserves represent premium on issue of shares and can be utilised in accordance with Section 52 of The Companies Act, 2013.
- d) Retained Earnings: These reserves are created by the company for net profits earned after reducing all appropriations and transfers.

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

As per our attached report on even date

For and on behalf of the Board of Directors

#### For N. A. Shah Associates LLP

Chartered Accountants  
Firm Registration Number: 116560W/W100149

#### Milan Mody

Partner  
Membership No. 103286

Place: Mumbai  
Date: 16.05.2024

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

**Anand Gupta**  
Chief Financial Officer

Place: Mumbai  
Date: 16.05.2024

**Parag J. Chheda**  
Director  
(DIN No : 00013222)

**Shailesh Bhaskar**  
Company Secretary

## Company Overview and Material 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. The equity shares of the Company have got listed on BSE limited and NSE limited on December 30, 2019.

### 2. Material 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 with relevant amendment rules issued thereafter and guidelines issued by the Securities and Exchange Board of India.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on May 16th, 2024

#### (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) 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. Further, in accordance with the amendments to the Companies (Indian Accounting Standards) Rules, 2023, the company has disclosed material accounting policies as against the significant accounting policies. Considering

the nature of transactions and business operation of the Company, accounting policies related to 'Non-current assets (or disposal groups) classified as held for disposal' and 'Government Grants' are not forming part of material accounting policies.

##### 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 million as per the requirement of Schedule III (Division II) 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. An asset is treated as current when it is:

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- (ii) Held primarily for the purpose of trading, or
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

#### (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".

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated

with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the Standalone Statement of Profit and Loss during the year in which they are incurred.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in Statement of Profit and Loss

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.

**(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.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

In certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the PPE on the management's estimation of obtaining economic benefits from those classes of assets.

**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 (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               |
| Solar Equipment                                       | 10 years - 25 years   |
| Computer Hardware (Servers)                           | 3 years - 6 years     |
| Moulds & Dies   | 4 years - 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.

**(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 | 3 years               |
| Brands/Trademarks | 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 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) Inventories :****Raw materials, 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 :**

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.

**(h) Employee Benefits :**

Employee benefits include Gratuity, Provident Fund, Employee Family Pension, Employee State Insurance Scheme, Compensated Absences and share based payments.

**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 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.

#### **(i) Borrowing costs :**

Borrowing cost (General and Specific) includes interest (calculated as per effective interest method), 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.

#### **(j) 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.

#### **(k) 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 of consideration received or receivable taking into account the amount of discounts, rebates, outgoing taxes on sales of goods or services.

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 period.

Generally, the Company receives short-term advances from its 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.

#### 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.

#### (l) Lease:

##### L.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. 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:

- 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.

##### L.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.

#### (m) 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.

#### (n) 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.

#### (o) Provisions, Contingent Liabilities and Contingent Assets and Commitments :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result 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.

#### (p) 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 (except Trade Receivable which is at transaction price). 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 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.

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 ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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.

##### (q) Cash and cash equivalents :

Cash and cash equivalents in the Balance Sheet comprise cash at bank, 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.

##### (r) 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.

##### (s) 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.

##### (t) 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.

##### (u) 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. The Companies chief operating decision maker is the Managing Director.

### 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 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) 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.

## 4. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 5. Property, Plant and Equipment

(₹ in millions)

| Sr. No.  | Particulars  | Gross Block                      |                 |                      |                                  | Depreciation / Amortisation      |  |   |                                  | Net Block        |
|----------|--|----------------------------------|-----------------|----------------------|----------------------------------|----------------------------------|--|---|----------------------------------|------------------|
|          |  | Opening Balance as on 01-04-2023 | Additions       | Deletion/ Adjustment | Closing Balance as on 31-03-2024 | Opening Balance as on 01-04-2023 | Depreciation/ Amortisation on Deletion/ Adjustment | Depreciation/ Amortisation for the Year | Closing Balance as on 31-03-2024 | As on 31-03-2024 |
| <b>A</b> | <b>Tangible Assets</b>   |                                  |                 |                      |                                  |                                  |  |   |                                  |                  |
| 1        | Freehold Land  | 760.77                           |                 | 0.13                 | 760.64                           | -                                | -  | -                                       | -                                | 760.64           |
| 2        | Leasehold Land (refer note no C)   | -                                | 277.29          | -                    | 277.29                           | -                                | -  | -                                       | -                                | 277.29           |
| 3        | Building   | 2,366.21                         | 453.64          | 42.54                | 2,777.31                         | 364.98                           | 6.46   | 105.16                                  | 463.68                           | 2,313.63         |
| 4        | Plant & Machinery  | 4,370.93                         | 556.97          | 123.84               | 4,804.05                         | 1,866.94                         | 106.27   | 435.79                                  | 2,196.46                         | 2,607.59         |
| 5        | Electrical Installation  | 322.54                           | 19.73           | 0.12                 | 342.15                           | 88.72                            | 0.09   | 23.37                                   | 112.00                           | 230.15           |
| 6        | Computer   | 55.67                            | 11.83           | 6.13                 | 61.37                            | 38.30                            | 5.98   | 11.21                                   | 43.52                            | 17.84            |
| 7        | Moulds & Dies  | 1,825.45                         | 535.74          | 7.25                 | 2,353.93                         | 818.09                           | 7.03   | 242.80                                  | 1,053.85                         | 1,300.07         |
| 8        | Office Equipments  | 70.65                            | 6.20            | 0.83                 | 76.02                            | 39.31                            | 0.74   | 11.35                                   | 49.93                            | 26.09            |
| 9        | Furniture & Fixtures   | 284.87                           | 38.22           | 3.63                 | 319.46                           | 119.42                           | 3.54   | 24.98                                   | 140.86                           | 178.60           |
| 10       | Vehicles   | 47.83                            | 1.79            | 0.40                 | 49.22                            | 19.47                            | 0.40   | 5.75                                    | 24.83                            | 24.40            |
|          | <b>Total</b>   | <b>10,104.92</b>                 | <b>1,901.40</b> | <b>184.87</b>        | <b>11,821.45</b>                 | <b>3,355.23</b>                  | <b>130.51</b>                                      | <b>860.41</b>                           | <b>4,085.13</b>                  | <b>7,736.31</b>  |
| <b>B</b> | <b>Capital Work in Progress (mainly Plant &amp; Machinery &amp; Moulds and Dies)</b> | 190.33                           | 162.28          |                      | 352.61                           |                                  |  |   |                                  | 352.61           |
|          | <b>Total Tangible Assets</b>   | <b>10,295.25</b>                 | <b>2,063.69</b> | <b>184.87</b>        | <b>12,174.06</b>                 | <b>3,355.23</b>                  | <b>130.51</b>                                      | <b>860.41</b>                           | <b>4,085.13</b>                  | <b>8,088.94</b>  |
| <b>C</b> | <b>Right-of-Use Assets (Refer Note No 40)</b>  | 59.40                            | 127.51          | -                    | 186.91                           | 13.86                            |  | 21.09                                   | 34.95                            | 151.96           |
|          | <b>Total</b>   | <b>59.40</b>                     | <b>127.51</b>   | <b>-</b>             | <b>186.91</b>                    | <b>13.86</b>                     | <b>-</b>   | <b>21.09</b>                            | <b>34.95</b>                     | <b>151.96</b>    |
| <b>D</b> | <b>Goodwill</b>  | 2.96                             |                 |                      | 2.96                             | -                                | -  | -                                       | -                                | 2.96             |
|          | <b>Total</b>   | <b>2.96</b>                      | <b>-</b>        | <b>-</b>             | <b>2.96</b>                      | <b>-</b>                         | <b>-</b>   | <b>-</b>                                | <b>-</b>                         | <b>2.96</b>      |
| <b>E</b> | <b>Other Intangible Assets</b>   |                                  |                 |                      |                                  |                                  |  |   |                                  |                  |
| 1        | Computer Software  | 39.52                            | 80.56           | 7.13                 | 112.95                           | 36.97                            | 7.13   | 24.35                                   | 54.19                            | 58.76            |
| 2        | Brands/Trademark   | 26.52                            | 26.60           | -                    | 53.12                            | 26.52                            | -  | 0.86                                    | 27.38                            | 25.74            |
| 3        | License/Brand  | 37.42                            | -               | -                    | 37.42                            | 32.46                            | -  | 4.95                                    | 37.41                            | 0.01             |
|          | <b>Total</b>   | <b>103.46</b>                    | <b>107.16</b>   | <b>7.13</b>          | <b>203.49</b>                    | <b>95.95</b>                     | <b>7.13</b>  | <b>30.16</b>                            | <b>118.99</b>                    | <b>84.50</b>     |
| <b>F</b> | <b>Intangible Assets under development</b>   | 45.27                            | -               | 44.33                | 0.94                             | -                                | -  | -                                       | -                                | 0.94             |
|          | <b>Total Assets (A+B+C+D+E+F)</b>  | <b>10,506.34</b>                 | <b>2,298.36</b> | <b>236.33</b>        | <b>12,568.36</b>                 | <b>3,465.04</b>                  | <b>137.64</b>                                      | <b>911.67</b>                           | <b>4,239.06</b>                  | <b>8,329.30</b>  |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### Notes :

- a The legal matter between Company, Ruby Mills Limited and Mindset Estates Private Limited (Developer) has been amicably resolved and the Corporate Office situated at, The Ruby, Dadar, Mumbai has now been registered in the name of the Company. Exceptional item for the year ended 31.03.2024 represents net gain of INR 179.23 million towards settlement of above matter and it is based on the valuation report obtained by the Company.
- b Aggregate provision for impairment in accumulated depreciation as at balance sheet date is Rs 8.44 million (Previous Year Rs 8.44 million)
- c Leasehold land at Bihar is capitalised during the year, Land registered post 31st March, 2024
- d CWIP ageing schedule as at 31st March 2024

₹ in million

| Particulars                       | Less than 1 year | 1 - 2 years  | 2 - 3 years | More than 3 years | Total         |
|-----------------------------------|------------------|--------------|-------------|-------------------|---------------|
| Projects in progress - Tangible   | 316.87           | 32.88        | 2.86        | -                 | 352.61        |
| Projects in progress - Intangible | 0.61             | 0.33         | -           | -                 | 0.94          |
| <b>Total</b>                      | <b>317.48</b>    | <b>33.21</b> | <b>2.86</b> | -                 | <b>353.55</b> |

- e CWIP ageing schedule as at 31st March 2023

₹ in million

| Particulars                       | Less than 1 year | 1 - 2 years  | 2 - 3 years | More than 3 years | Total         |
|-----------------------------------|------------------|--------------|-------------|-------------------|---------------|
| Projects in progress - Tangible   | 147.82           | 42.51        | -           | -                 | 190.33        |
| Projects in progress - Intangible | 42.67            | 2.60         | -           | -                 | 45.27         |
| <b>Total</b>                      | <b>190.49</b>    | <b>45.11</b> | -           | -                 | <b>235.60</b> |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 5. Property, Plant and Equipment

(₹ in millions)

| Sr. No.  | Particulars  | Gross Block                      |                 |                      |                                  | Depreciation / Amortisation      |  |   |                                  | Net Block        |
|----------|--|----------------------------------|-----------------|----------------------|----------------------------------|----------------------------------|--|---|----------------------------------|------------------|
|          |  | Opening Balance as on 01-04-2022 | Additions       | Deletion/ Adjustment | Closing Balance as on 31-03-2023 | Opening Balance as on 01-04-2022 | Depreciation/ Amortisation on Deletion/ Adjustment | Depreciation/ Amortisation for the Year | Closing Balance as on 31-03-2023 | As on 31-03-2023 |
| <b>A</b> | <b>Tangible Assets</b>   |                                  |                 |                      |                                  |                                  |  |   |                                  |                  |
| 1        | Freehold Land  | 760.77                           | -               | -                    | 760.77                           | -                                | -  | -                                       | -                                | 760.77           |
| 2        | Building   | 2,308.40                         | 57.81           | -                    | 2,366.21                         | 266.85                           | -  | 98.13                                   | 364.98                           | 2,001.23         |
| 3        | Plant & Machinery  | 3,783.30                         | 643.69          | 56.06                | 4,370.93                         | 1,503.78                         | 50.43  | 413.59                                  | 1,866.94                         | 2,503.99         |
| 4        | Electrical Installation  | 315.45                           | 7.09            | -                    | 322.54                           | 66.36                            | -  | 22.36                                   | 88.72                            | 233.82           |
| 5        | Computer   | 51.11                            | 5.77            | 1.21                 | 55.67                            | 29.95                            | 1.18   | 9.53                                    | 38.30                            | 17.37            |
| 6        | Moulds & Dies  | 1,508.25                         | 317.61          | 0.41                 | 1,825.45                         | 617.18                           | 0.30   | 201.21                                  | 818.09                           | 1,007.36         |
| 7        | Office Equipments  | 60.47                            | 10.69           | 0.51                 | 70.65                            | 29.51                            | 0.47   | 10.27                                   | 39.31                            | 31.34            |
| 8        | Furniture & Fixtures   | 219.66                           | 65.27           | 0.06                 | 284.87                           | 93.80                            | 0.01   | 25.63                                   | 119.42                           | 165.45           |
| 9        | Vehicles   | 31.73                            | 17.21           | 1.11                 | 47.83                            | 16.29                            | 0.91   | 4.09                                    | 19.47                            | 28.36            |
|          | <b>Total</b>   | <b>9,039.14</b>                  | <b>1,125.14</b> | <b>59.36</b>         | <b>10,104.92</b>                 | <b>2,623.72</b>                  | <b>53.30</b>                                       | <b>784.81</b>                           | <b>3,355.23</b>                  | <b>6,749.69</b>  |
| <b>B</b> | <b>Capital Work in Progress (mainly Plant &amp; Machinery &amp; Moulds and Dies)</b> | <b>222.96</b>                    | <b>145.31</b>   | <b>177.94</b>        | <b>190.33</b>                    |                                  |  |   |                                  | <b>190.33</b>    |
|          | <b>Total Tangible Assets (A+B)</b>   | <b>9,262.10</b>                  | <b>1,270.45</b> | <b>237.30</b>        | <b>10,295.25</b>                 | <b>2,623.72</b>                  | <b>53.30</b>                                       | <b>784.81</b>                           | <b>3,355.23</b>                  | <b>6,940.02</b>  |
| <b>C</b> | <b>Right-of-Use Assets (Refer note 40)</b>   | <b>62.37</b>                     | <b>59.40</b>    | <b>62.37</b>         | <b>59.40</b>                     | <b>47.74</b>                     | <b>62.37</b>                                       | <b>28.49</b>                            | <b>13.86</b>                     | <b>45.54</b>     |
|          | <b>Total</b>   | <b>62.37</b>                     | <b>59.40</b>    | <b>62.37</b>         | <b>59.40</b>                     | <b>47.74</b>                     | <b>62.37</b>                                       | <b>28.49</b>                            | <b>13.86</b>                     | <b>45.54</b>     |
| <b>D</b> | <b>Goodwill</b>  | <b>2.96</b>                      |                 |                      | <b>2.96</b>                      | <b>-</b>                         | <b>-</b>   | <b>-</b>                                | <b>-</b>                         | <b>2.96</b>      |
|          | <b>Total</b>   | <b>2.96</b>                      | <b>-</b>        | <b>-</b>             | <b>2.96</b>                      | <b>-</b>                         | <b>-</b>   | <b>-</b>                                | <b>-</b>                         | <b>2.96</b>      |
| <b>E</b> | <b>Other Intangible Assets</b>   |                                  |                 |                      |                                  |                                  |  |   |                                  |                  |
| 1        | Computer Software  | 38.23                            | 1.29            | -                    | 39.52                            | 34.91                            | -  | 2.06                                    | 36.97                            | 2.55             |
| 2        | Brands/Trademark   | 26.52                            | -               | -                    | 26.52                            | 24.25                            | -  | 2.27                                    | 26.52                            | 0.00             |
| 3        | License/Brand  | 37.42                            | -               | -                    | 37.42                            | 19.98                            | -  | 12.48                                   | 32.46                            | 4.96             |
|          | <b>Total</b>   | <b>102.17</b>                    | <b>1.29</b>     | <b>-</b>             | <b>103.46</b>                    | <b>79.14</b>                     | <b>-</b>   | <b>16.81</b>                            | <b>95.95</b>                     | <b>7.51</b>      |
| <b>F</b> | <b>Intangible Assets under development</b>   | <b>2.60</b>                      | <b>42.67</b>    | <b>-</b>             | <b>45.27</b>                     | <b>-</b>                         | <b>-</b>   | <b>-</b>                                | <b>-</b>                         | <b>45.27</b>     |
|          | <b>Total Intangible Assets (E+F)</b>   | <b>104.78</b>                    | <b>43.95</b>    | <b>-</b>             | <b>148.73</b>                    | <b>79.14</b>                     | <b>-</b>   | <b>16.81</b>                            | <b>95.95</b>                     | <b>52.77</b>     |
|          | <b>Total Assets (A+B+C+D+E+F)</b>  | <b>9,432.21</b>                  | <b>1,373.80</b> | <b>299.67</b>        | <b>10,506.34</b>                 | <b>2,750.60</b>                  | <b>115.67</b>                                      | <b>830.11</b>                           | <b>3,465.04</b>                  | <b>7,041.30</b>  |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 6. Investments

₹ in million

| Particulars   | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| <b>Non-Current Investments</b>                                    |                     |                     |
| <b>Unquoted Investments designed at Fair Value through OCI</b>    |                     |                     |
| <b>Investment in Equity Instruments</b>                           |                     |                     |
| 41,500 Equity shares of Ramkrishna FinCap Ltd*                    | -                   | -                   |
| (As at 31.03.23 - 41,500 shares)                                  |                     |                     |
| 1,85,000 Equity shares of Sibar Media & Entertainment Ltd*        | -                   | -                   |
| (As at 31.03.23 - 1,85,000 shares)                                |                     |                     |
| 1,69,000 Equity shares of WATSUN Infrabuild Pvt Ltd               | 1.40                | 1.40                |
| (As at 31.03.23 - 1,69,000 shares)                                |                     |                     |
| <b>Other Investments</b>  |                     |                     |
| Cleanwin Energy Eight LLP **                                      | 1.50                | 1.50                |
| <b>Total</b>  | <b>2.90</b>         | <b>2.90</b>         |
| <b>Current Investments</b>  |                     |                     |
| <b>Investment in Mutual Funds</b>                                 |                     |                     |
| <b>Quoted Investments Fair Value through profit or loss</b>       |                     |                     |
| 1,76,554.85 units of ICICI Pru Money Market Fund - Growth         | 61.00               | -                   |
| (As at 31.03.23 - NIL units)                                      |                     |                     |
| 1,46,66,181.07 units of Aditya Birla Sunlife Index Fund - Regular | 159.28              | -                   |
| (As at 31.03.23 - NIL units)                                      |                     |                     |
| NIL units of HDFC Overnight Fund Regular Plan Growth              | -                   | 100.41              |
| (As at 31.03.23 - 30,405.41 units)                                |                     |                     |
| NIL Units of ICICI Prudential Liquid Fund – Growth                | -                   | 150.46              |
| (As at 31.03.23 - 4,55,036.24 units)                              |                     |                     |
| NIL units of HDFC Liquid Fund – Regular Plan – Growth             | -                   | 100.27              |
| (As at 31.03.23 - 22,872.55 units)                                |                     |                     |
| NIL units of Invesco India Liquid Fund - Growth                   | -                   | 311.43              |
| (As at 31.03.23 - 1,01,492.94 units)                              |                     |                     |
| 54,24,938.62 units of Invesco India Arbitrage Fund - Growth       | 158.70              | -                   |
| (As at 31.03.23 - NIL units)                                      |                     |                     |
| NIL units of Kotak Liquid Regular Plan - Growth                   | -                   | 150.49              |
| (As at 31.03.23 - 33,313.49 units)                                |                     |                     |
| <b>Quoted Investments at Amortised Cost</b>                       |                     |                     |
| NIL L&T Finance Ltd Bonds   | -                   | 103.90              |
| (As at 31.03.23 - 100 units)                                      |                     |                     |
| <b>Total</b>  | <b>378.98</b>       | <b>916.96</b>       |
| Aggregate Market Value of Quoted investments                      | 378.98              | 916.96              |
| Aggregate Book Value of Quoted investments                        | 378.98              | 916.96              |
| Aggregate Book Value of Unquoted investments                      | 2.90                | 2.90                |

\* Fully impaired

\*\* During the previous year, the Company had made contribution towards investment in 'Cleanwin Energy Eight LLP' which is in the business of generation of electricity from windmill. The purpose and objective of this investment is to reduce carbon footprint and not to control or obtain economic benefits from their activities.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 7. Loans

₹ in million

| Particulars                                 | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| <b>Current (Unsecured, considered good)</b> |                     |                     |
| Loans to Employees                          | 4.09                | 4.77                |
| <b>Total</b>                                | <b>4.09</b>         | <b>4.77</b>         |

### 8. Other Financial Assets

₹ in million

| Particulars   | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| <b>Non - Current Financial Assets</b>                     |                     |                     |
| Security Deposits   | 110.39              | 86.93               |
| Balances with Banks in deposit accounts* (Refer Note 8.1) | 19.45               | 20.91               |
| <b>Total</b>  | <b>129.84</b>       | <b>107.84</b>       |

\*These deposits are lodged in favour of various Government authorities/banks/other parties Rs. 19.45 million (Rs. 20.91 million as on 31st March, 2023).

8.1 : Balances with Banks in deposit accounts : The previous year figures have been regrouped.

₹ in million

| Particulars                         | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-------------------------------------|---------------------|---------------------|
| <b>Current Financial Assets</b>     |                     |                     |
| Interest Accrued on Deposits        | 0.76                | 10.58               |
| Security Deposits                   | 9.35                | 17.19               |
| Derivative Asset (Forward contract) | 0.99                | -                   |
| Export Incentive Receivable         | 0.56                | -                   |
| <b>Total</b>                        | <b>11.66</b>        | <b>27.77</b>        |

### 9. Other Assets

₹ in million

| Particulars  | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--|---------------------|---------------------|
| <b>Other Non-Current Assets (Unsecured, considered good)</b> |                     |                     |
| <b>Capital Advances</b>                                      |                     |                     |
| Considered good  | 303.41              | 155.64              |
| Considered doubtful  | -                   | 36.40               |
| Less : Provision for doubtful advances                       | -                   | (36.40)             |
|  | <b>303.41</b>       | <b>155.64</b>       |
| Prepaid Expenses   | 1.64                | 3.20                |
| Balance with government and other authorities                | 0.16                | 0.16                |
| <b>Total</b>   | <b>305.21</b>       | <b>159.00</b>       |
| <b>Other Current Assets (Unsecured, considered good)</b>     |                     |                     |
| <b>Advances to Suppliers</b>                                 |                     |                     |
| Considered good  | 23.06               | 101.44              |
| Considered doubtful  | 6.53                | 14.83               |
| Less : Provision for doubtful advances                       | (6.53)              | (14.83)             |
|  | <b>23.06</b>        | <b>101.44</b>       |
| Prepaid Expenses   | 15.42               | 20.75               |
| Balances with Government Authorities (Refer Note 9.1)        | 995.39              | 1,198.36            |
| Contract Asset (Refer note 42b)                              | 5.66                | 5.66                |
| Advance for expenses   | 15.86               | 70.87               |
| <b>Total</b>   | <b>1,055.40</b>     | <b>1,397.07</b>     |

9.1 : Balances with Government Authorities : In the previous year GST input credit was disclosed net of GST liability, which is now regrouped to gross figures.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 10. Inventories

₹ in million

| Particulars  | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--|---------------------|---------------------|
| (Valued at lower of cost or NRV unless otherwise stated)   |                     |                     |
| Raw Materials (includes in transit Rs. 337.33 million as on 31st March, 2024, Rs. 236.81 million as on 31st March, 2023) | 2,367.83            | 2,329.85            |
| Work in Progress   | 31.36               | 57.00               |
| Finished Goods   | 1,544.26            | 1,567.07            |
| Trading Goods  | 412.86              | 281.01              |
| Stores & Spares  | 22.58               | 21.52               |
| <b>Total</b>   | <b>4,378.90</b>     | <b>4,256.45</b>     |

10.1 : During the year, the company has made provision of Rs 5.00 million (Previous Year Rs 2.35 Million as at 31st March, 2023) towards slow moving inventory.

10.2 : Refer Note 16 for security disclosure

### 11. Trade Receivables

₹ in million

| Particulars                         | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-------------------------------------|---------------------|---------------------|
| Unsecured, considered good          | 6,075.43            | 4,316.53            |
| Less : Allowances for credit losses | (226.72)            | (166.29)            |
| <b>Total</b>                        | <b>5,848.72</b>     | <b>4,150.24</b>     |

#### Ageing Schedule as at 31st March, 2024

₹ in million

| Particulars   | Outstanding for following periods from due date of payment |                       |                      |               |              |                      |                 |
|---|--|-----------------------|----------------------|---------------|--------------|----------------------|-----------------|
|   | Not due  | Less than<br>6 months | 6 months -<br>1 year | 1 - 2 years   | 2 - 3 years  | More than<br>3 years | Total           |
| (i) Undisputed Trade receivables - considered good      | 1,004.03   | 4,350.56              | 86.37                | 206.05        | 61.94        | 140.12               | 5,849.08        |
| (ii) Undisputed Trade receivables - considered doubtful | -  | -                     | -                    | -             | -            | -                    | -               |
| (iii) Disputed Trade receivables - considered good      | -  | -                     | -                    | 17.08         | 13.86        | 195.41               | 226.35          |
| (iv) Disputed Trade receivables - considered doubtful   | -  | -                     | -                    | -             | -            | -                    | -               |
| <b>Total</b>  | <b>1,004.03</b>  | <b>4,350.56</b>       | <b>86.37</b>         | <b>223.13</b> | <b>75.81</b> | <b>335.54</b>        | <b>6,075.43</b> |
| Less : Impairment allowance for trade receivables       |  |                       |                      |               |              |                      | 226.72          |
| <b>Total</b>  |  |                       |                      |               |              |                      | <b>5,848.72</b> |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

Ageing Schedule as at 31st March, 2023

₹ in million

| Particulars   | Outstanding for following periods from due date of payment |                    |                   |              |              |                   | Total           |
|---|--|--------------------|-------------------|--------------|--------------|-------------------|-----------------|
|   | Not due  | Less than 6 months | 6 months - 1 year | 1 - 2 years  | 2 - 3 years  | More than 3 years |                 |
| (i) Undisputed Trade receivables - considered good      | 1,796.87   | 2,111.43           | 120.95            | 77.66        | 63.60        | 67.74             | 4,238.26        |
| (ii) Undisputed Trade receivables - considered doubtful | -  | -                  | -                 | -            | -            | -                 | -               |
| (iii) Disputed Trade receivables - considered good      | -  | -                  | -                 | -            | 8.70         | 69.57             | 78.27           |
| (iv) Disputed Trade receivables - considered doubtful   | -  | -                  | -                 | -            | -            | -                 | -               |
| <b>Total</b>  | <b>1,796.87</b>  | <b>2,111.43</b>    | <b>120.95</b>     | <b>77.66</b> | <b>72.30</b> | <b>137.31</b>     | <b>4,316.53</b> |
| Less : Impairment allowance for trade receivables       |  |                    |                   |              |              |                   | 166.29          |
| <b>Total</b>  |  |                    |                   |              |              |                   | <b>4,150.24</b> |

11.1 : No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

11.2 : Refer Note 16 for security disclosure

### 12. Cash and Cash Equivalents

₹ in million

| Particulars                                      | As at 31-03-2024 | As at 31-03-2023 |
|--|------------------|------------------|
| Balances with Banks - in current accounts        | 110.89           | 72.24            |
| Balances with Banks - in fixed deposit accounts* | 649.95           | 1,141.36         |
| Cash on Hand                                     | 0.53             | 1.05             |
| <b>Total</b>                                     | <b>761.37</b>    | <b>1,214.65</b>  |

\*Includes fixed deposit of Rs. NIL (P.Y. Rs. 23.94 million) with maturity of more than 12 months

### 13. Bank Balances other than Cash and Cash Equivalents

₹ in million

| Particulars                                      | As at 31-03-2024 | As at 31-03-2023 |
|--|------------------|------------------|
| Balances with Banks in deposit accounts*         | 15.38            | 8.10             |
| Earmarked balances with bank for unpaid dividend | 0.39             | 0.41             |
| <b>Total</b>                                     | <b>15.77</b>     | <b>8.50</b>      |

\*These deposits are lodged in favour of various Government authorities/banks/other parties Rs. 15.38 million (Rs. 8.10 million as on 31st March, 2023).

### 14. Current Tax Asset

₹ in million

| Particulars                    | As at 31-03-2024 | As at 31-03-2023 |
|--------------------------------|------------------|------------------|
| Income Tax (net of Provisions) | 10.20            | -                |
| <b>Total</b>                   | <b>10.20</b>     | <b>-</b>         |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 15. Equity Share Capital

₹ in million

| Particulars  | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--|---------------------|---------------------|
| <b>Authorised</b>  |                     |                     |
| 14,94,03,500 Equity Shares of ₹ 10 each<br>(As at 31.03.2023 - 14,94,03,500 shares)                      | 1,494.03            | 1,494.03            |
| 5,96,500 Compulsorily Convertible Preference Shares of ₹ 10 each<br>(As at 31.03.2023 - 5,96,500 shares) | 5.97                | 5.97                |
| <b>Total</b>   | <b>1,500.00</b>     | <b>1,500.00</b>     |
| <b>Issued, Subscribed and Paid up</b>  |                     |                     |
| 11,05,61,079 Equity Shares of ₹ 10 each, fully paid up<br>(As at 31.03.2023 - 11,05,61,079 shares)       | 1,105.61            | 1,105.61            |
| <b>Total</b>   | <b>1,105.61</b>     | <b>1,105.61</b>     |
| <b>a. Reconciliation of the number of Equity shares</b>  |                     |                     |
| Balance at the beginning of the year   | 110,561,079         | 110,561,079         |
| <b>Balance as at the end of the year</b>   | <b>110,561,079</b>  | <b>110,561,079</b>  |
| <b>b. Reconciliation of the amount of share capital outstanding</b>                                      |                     |                     |
| Balance at the beginning of the year   | 1,105.61            | 1,105.61            |
| <b>Balance as at the end of the year</b>   | <b>1,105.61</b>     | <b>1,105.61</b>     |

#### c. Details of Equity Shareholders holding more than 5% shares in the company

| Particulars                     | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---------------------------------|---------------------|---------------------|
| Mr. Jayant Shamji Chheda        |                     |                     |
| No of shares                    | 6,652,405           | 6,652,405           |
| % of shares held                | 6.02                | 6.02                |
| Mrs. Tarla Jayant Chheda        |                     |                     |
| No of shares                    | 17,385,832          | 17,385,832          |
| % of shares held                | 15.73               | 15.73               |
| Mr. Parag Jayant Chheda         |                     |                     |
| No of shares                    | 20,760,303          | 20,760,303          |
| % of shares held                | 18.78               | 18.78               |
| Mr. Vipul Jayant Chheda         |                     |                     |
| No of shares                    | 20,760,303          | 20,760,303          |
| % of shares held                | 18.78               | 18.78               |
| Mirae Asset Large & Midcap Fund |                     |                     |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

| Particulars                        | As at<br>31-03-2024 | As at<br>31-03-2023 |
|------------------------------------|---------------------|---------------------|
| No of shares                       | 11,017,452          | -                   |
| % of shares held                   | 9.97                | -                   |
| Mirae Asset Emerging Bluechip Fund |                     |                     |
| No of shares                       | -                   | 9,524,003           |
| % of shares held                   | -                   | 8.61                |

d. The details of Shareholding of Promoters are as under as at 31st March, 2024 and 31st March, 2023 are as under

| Particulars  | 31st March, 2024 |               | 31st March, 2023 |               | % Change during the year |
|--|------------------|---------------|------------------|---------------|--------------------------|
|  | Number of shares | Total share % | Number of shares | Total share % |                          |
| Mr. Vipul Jayant Chheda                                  | 20,760,303       | 18.78         | 20,760,303       | 18.78         | -                        |
| Mr. Parag Jayant Chheda                                  | 20,760,303       | 18.78         | 20,760,303       | 18.78         | -                        |
| Mrs. Tarla Jayant Chheda                                 | 17,385,832       | 15.73         | 17,385,832       | 15.73         | -                        |
| Mr. Jayant Shamji Chheda                                 | 6,652,405        | 6.02          | 6,652,405        | 6.02          | -                        |
| Mr. Jayant Shamji Chheda (as a Karta of VS Family Trust) | 1,200,000        | 1.09          | 1,200,000        | 1.09          | -                        |
| Mrs. Vaishali Hitesh Shah                                | 500,000          | 0.45          | 500,000          | 0.45          | -                        |
| Mansukh Koovarji Shah HUF                                | 676              | 0.00          | -                | 0.00          | 0.00                     |
| Mr. Mansukh Koovarji Shah                                | 540              | 0.00          | 500              | 0.00          | 0.00                     |
| Mr. Jayantilal Kalyanji Gada                             | 60,000           | 0.05          | 60,000           | 0.05          | -                        |
| Mrs. Gunvanti Jayantilal Gada                            | 40,000           | 0.04          | 40,000           | 0.04          | -                        |
| Mrs. Heena Parag Chheda                                  | 12,616           | 0.01          | 12,616           | 0.01          | -                        |
| Mrs. Ashwini Vipul Chheda                                | 6,400            | 0.01          | 6,400            | 0.01          | -                        |

### e. 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.

### 16. Borrowings - Non Current

₹ in million

| Particulars           | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-----------------------|---------------------|---------------------|
| <b>Secured</b>        |                     |                     |
| Term Loans from Banks | 188.97              | -                   |
| <b>Total</b>          | <b>188.97</b>       | <b>-</b>            |

#### Note:

16.1 : For the year ended 31.03.2024, Secured by first pari passu Charge on present & future Movable Fixed Assets of the company. Secured by second pari passu Charge on Current Assets of the company

16.2 : The Company has availed a term loan facility from bank at floating rate 8.10% p.a. linked to external benchmark which is repayable in 12 quarterly installments over the tenure of 3 years commencing from July 2025.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 16. Borrowings - Current

₹ in million

| Particulars                                     | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| <b>Secured</b>                                  |                     |                     |
| Working Capital/Demand Loans From Banks         | 400.20              | 581.34              |
| Short Term Borrowings from Bank - Buyers Credit | 555.25              | -                   |
| <b>Total</b>                                    | <b>955.44</b>       | <b>581.34</b>       |

Note:

16.3 : For the year ended 31.03.2024 and 31.03.2023, Secured by first pari passu Charge on present & future Current Assets of the company.

16.4 : All charges are registered with ROC within statutory period by the company during the year ended 31.03.2024 and 31.03.2023.

### 16.5 : Details of Secured Borrowings

₹ in million

| Particulars     | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-----------------|---------------------|---------------------|
| 1. HDFC Bank    | -                   | 200.00              |
| 2. ICICI Bank   | 0.20                | -                   |
| 3. Axis Bank    | -                   | 181.34              |
| 4. Qatar Bank   | 100.00              | -                   |
| 5. Federal Bank | 300.00              | 200.00              |
| <b>Total</b>    | <b>400.20</b>       | <b>581.34</b>       |

16.6 : The Company has borrowings from banks against security of current assets (Inventory and Trade receivables). The figures as per books and as per the quarterly statements submitted to banks and reasons for material differences are as mentioned below:

For the year ending 31st March, 2024, quarterly stock statements filed by the Company with banks or financial institutions are in agreement with the books of account.

### Year Ending 31st March, 2023

₹ in million

| Name of bank  | Quarter end | Particulars of Securities Provided | Amount as per unaudited books of account as at quarter end | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                      |
|---|-------------|------------------------------------|--|---|----------------------|--|
| HDFC Bank Limited, Axis Bank Ltd and Federal Bank Limited | Q1 FY22-23  | Inventory and Trade receivables    | 8,377.84   | 8,377.84  | 0.00                 | Quarterly closing entries including material in transit and provisions |
|   | Q2 FY22-23  |                                    | 7,620.00   | 7,773.58  | -153.57              |  |
|   | Q3 FY22-23  |                                    | 7,729.78   | 7,962.45  | -232.66              |  |
|   | Q4 FY22-23  |                                    | 8,406.69   | 8,406.69  | 0.00                 |  |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 17. Other Financial Liabilities

₹ in million

| Particulars                                 | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| <b>Current Financial Liabilities</b>        |                     |                     |
| Interest Accrued but not due on Borrowings  | 0.02                | 1.32                |
| Interest payable to MSMED                   | 3.53                | 3.92                |
| Security Deposits                           | 149.21              | 143.72              |
| Creditors for Capital Goods                 |                     |                     |
| -Outstanding to Micro and Small Enterprises | 101.78              | 22.48               |
| -Other than Micro and Small Enterprises     | 69.05               | 23.82               |
| Employee Related Liabilities                | 260.17              | 169.47              |
| Derivative Liability (Forward contract)     | -                   | 3.03                |
| Unpaid Dividend (Refer note 17.1)           | 0.39                | 0.41                |
| Other Liabilities (expenses payable etc.)   | 49.81               | 36.00               |
| <b>Total</b>                                | <b>633.97</b>       | <b>404.17</b>       |

17.1 : Unpaid Dividend : It does not include any amount outstanding to be credited to The Investor Education and Protection Fund.

### 18. Leases

₹ in million

| Particulars                       | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-----------------------------------|---------------------|---------------------|
| <b>Non-Current</b>                |                     |                     |
| Lease Liabilities (Refer note 40) | 98.74               | 30.73               |
| <b>Total</b>                      | <b>98.74</b>        | <b>30.73</b>        |
| <b>Current</b>                    |                     |                     |
| Lease Liabilities (Refer note 40) | 53.26               | 16.65               |
| <b>Total</b>                      | <b>53.26</b>        | <b>16.65</b>        |

### 19. Provisions

₹ in million

| Particulars                     | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---------------------------------|---------------------|---------------------|
| <b>Non-Current</b>              |                     |                     |
| Provision for Employee Benefits | 177.84              | 137.69              |
| <b>Total</b>                    | <b>177.84</b>       | <b>137.69</b>       |
| <b>Current</b>                  |                     |                     |
| Provision for Employee Benefits | 26.31               | 19.54               |
| <b>Total</b>                    | <b>26.31</b>        | <b>19.54</b>        |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 20. Deferred Tax Liabilities (Net)

₹ in million

| Particulars  | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--|---------------------|---------------------|
| Deferred Tax Liabilities / (assets) attributed to:                           |                     |                     |
| Property, Plant and Equipments and fair value gain on investments            | 301.68              | 230.43              |
| Others (Employee benefit and expense disallowances under Income tax Act etc) | (111.06)            | (93.85)             |
| <b>Total</b>   | <b>190.61</b>       | <b>136.58</b>       |

#### Movement in deferred tax liabilities/assets balances - FY 2023-24

₹ in million

| Particulars  | Opening<br>Balance | Recognised in<br>Profit or Loss | Recognised in<br>OCI | Closing<br>Balance |
|--|--------------------|---------------------------------|----------------------|--------------------|
| <b>Deferred Tax Liabilities</b>  |                    |                                 |                      |                    |
| Property, Plant and Equipments and fair value gain on investments            | 230.43             | 71.24                           | -                    | 301.68             |
| <b>Deferred Tax Assets</b>   |                    |                                 |                      |                    |
| Others (Employee benefit and expense disallowances under Income tax Act etc) | 93.85              | 11.38                           | 5.83                 | 111.06             |

#### Movement in deferred tax liabilities/assets balances - FY 2022-23

₹ in million

| Particulars  | Opening<br>Balance | Recognised in<br>Profit or Loss | Recognised in<br>OCI | Closing<br>Balance |
|--|--------------------|---------------------------------|----------------------|--------------------|
| <b>Deferred Tax Liabilities</b>  |                    |                                 |                      |                    |
| Property, Plant and Equipments and fair value gain on investments            | 208.73             | 21.70                           | -                    | 230.43             |
| <b>Deferred Tax Assets</b>   |                    |                                 |                      |                    |
| Others (Employee benefit and expense disallowances under Income tax Act etc) | 85.93              | 5.86                            | 2.06                 | 93.85              |

### 21. Trade Payables

₹ in million

| Particulars   | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| Outstanding to Micro and Small Enterprises              | 434.36              | 334.94              |
| Trade Payables - Other than Micro and Small Enterprises | 2,057.03            | 2,867.01            |
| <b>Total</b>  | <b>2,491.39</b>     | <b>3,201.95</b>     |

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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

Ageing Schedule as at 31st March, 2024

₹ in million

| Particulars                 | Outstanding for following periods from due date of payment |                  |              |             |                   |                 |
|-----------------------------|--|------------------|--------------|-------------|-------------------|-----------------|
|                             | Not due  | Less than 1 year | 1 - 2 years  | 2 - 3 years | More than 3 years | Total           |
| (i) MSME (micro and small)  | 395.51   | 35.76            | 3.09         | 0.00        | -                 | 434.36          |
| (ii) Others                 | 1,807.35   | 230.80           | 16.18        | 1.62        | 1.09              | 2,057.03        |
| (iii) Disputed dues - MSME  | -  | -                | -            | -           | -                 | -               |
| (iv) Disputed dues - Others | -  | -                | -            | -           | -                 | -               |
| <b>Total</b>                | <b>2,202.86</b>  | <b>266.56</b>    | <b>19.27</b> | <b>1.62</b> | <b>1.09</b>       | <b>2,491.39</b> |

Ageing Schedule as at 31st March, 2023

₹ in million

| Particulars                 | Outstanding for following periods from due date of payment |                  |             |              |                   |                 |
|-----------------------------|--|------------------|-------------|--------------|-------------------|-----------------|
|                             | Not due  | Less than 1 year | 1 - 2 years | 2 - 3 years  | More than 3 years | Total           |
| (i) MSME (micro and small)  | 300.45   | 33.08            | 1.28        | 0.07         | 0.07              | 334.94          |
| (ii) Others                 | 2,535.39   | 311.84           | 6.51        | 10.25        | 3.01              | 2,867.01        |
| (iii) Disputed dues - MSME  | -  | -                | -           | -            | -                 | -               |
| (iv) Disputed dues - Others | -  | -                | -           | -            | -                 | -               |
| <b>Total</b>                | <b>2,835.84</b>  | <b>344.93</b>    | <b>7.79</b> | <b>10.33</b> | <b>3.08</b>       | <b>3,201.95</b> |

### 22. Current Tax Liabilities

₹ in million

| Particulars                                  | As at 31-03-2024 | As at 31-03-2023 |
|--|------------------|------------------|
| Provision for Income Tax (net of taxes paid) | -                | 169.54           |
| <b>Total</b>                                 | <b>-</b>         | <b>169.54</b>    |

### 23. Other Current Liabilities

₹ in million

| Particulars                      | As at 31-03-2024 | As at 31-03-2023 |
|----------------------------------|------------------|------------------|
| <b>Statutory Dues</b>            | <b>897.84</b>    | <b>921.18</b>    |
| Advances received from Customers | 73.93            | 28.45            |
| <b>Total</b>                     | <b>971.77</b>    | <b>949.63</b>    |

### 24. Revenue from Operations

₹ in million

| Particulars                                 | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|---|-------------------------------|-------------------------------|
| <b>Revenue from Contract with Customers</b> |                               |                               |
| <b>Sale of Products &amp; Services</b>      |                               |                               |
| Finished Goods                              | 24,418.62                     | 25,819.49                     |
| Traded Goods                                | 1,172.08                      | 1,199.62                      |
| Contract Revenue (Refer Note 42b )          | 25.11                         | 15.31                         |
| <b>A</b>                                    | <b>25,615.82</b>              | <b>27,034.42</b>              |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

| Particulars                    | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--------------------------------|----------------------------------|----------------------------------|
| <b>Other Operating Revenue</b> |                                  |                                  |
| Scrap Sales                    | 67.20                            | 56.82                            |
| Profit on Import Licenses      | 3.21                             | 17.33                            |
| Duty Drawback                  | 1.25                             | 0.14                             |
| <b>B</b>                       | <b>71.66</b>                     | <b>74.29</b>                     |
| <b>Total (A+B)</b>             | <b>25,687.48</b>                 | <b>27,108.71</b>                 |

### 25. Other Income

₹ in million

| Particulars  | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| Interest - carried at amortised cost   | 64.54                            | 47.58                            |
| Unwinding of security deposits carried at amortised cost                                   | 0.09                             | -                                |
| Dividend Income on Investments measured at Fair Value through Profit and Loss              | -                                | 0.09                             |
| Gain on fair valuation of Investments through Profit and loss                              | 21.31                            | 20.76                            |
| Profit on redemption of Current Investments measured at Fair Value through Profit and Loss | 34.11                            | 7.79                             |
| Profit on sale of Shares (Net) measured at Fair Value through Profit and Loss              | -                                | 2.17                             |
| Profit on sale of Property, Plant and Equipment (Net)                                      | 8.22                             | 2.46                             |
| Mark to Market gain on Derivatives   | 0.99                             | -                                |
| Balances written back  | 31.66                            | 3.43                             |
| Miscellaneous Income   | 0.01                             | 1.22                             |
| <b>Total</b>   | <b>160.93</b>                    | <b>85.50</b>                     |

### 26. Cost of Materials Consumed

₹ in million

| Particulars                             | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|---|----------------------------------|----------------------------------|
| Inventory at the beginning of the year  | 2,329.85                         | 3,914.09                         |
| Add : Purchases                         | 17,582.71                        | 18,201.74                        |
| Less : Inventory at the end of the year | (2,367.83)                       | (2,329.85)                       |
|   | <b>17,544.72</b>                 | <b>19,785.98</b>                 |
| Contract Cost (Refer Note 42b)          | -                                | 4.09                             |
| <b>Total</b>                            | <b>17,544.72</b>                 | <b>19,790.07</b>                 |

26.1: The Company has sold certain material meant for use in manufacturing. These purchases could not be identified at the time of purchases and therefore are not accounted for separately by way of 'Trading Purchases'.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 27. Purchase of Stock in Trade

₹ in million

| Particulars       | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|-------------------|----------------------------------|----------------------------------|
| Trading Purchases | 731.72                           | 785.91                           |
| <b>Total</b>      | <b>731.72</b>                    | <b>785.91</b>                    |

### 28. Changes in inventories of finished goods, work in progress and stock in trade Stock at the end of the year

₹ in million

| Particulars                                | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| <b>Stock at the end of the year</b>        |                                  |                                  |
| Traded goods                               | 412.86                           | 281.01                           |
| Work in Progress                           | 31.36                            | 57.00                            |
| Finished Goods                             | 1,544.26                         | 1,567.07                         |
| <b>A</b>                                   | <b>1,988.49</b>                  | <b>1,905.08</b>                  |
| <b>Stock at the beginning of the year</b>  |                                  |                                  |
| Traded goods                               | 281.01                           | 235.16                           |
| Work in Progress                           | 57.00                            | 60.01                            |
| Finished Goods                             | 1,567.07                         | 1,955.86                         |
| <b>B</b>                                   | <b>1,905.08</b>                  | <b>2,251.03</b>                  |
| <b>(Increase)/Decrease in Stocks (B-A)</b> | <b>(83.40)</b>                   | <b>345.95</b>                    |

### 29. Employee Benefit Expenses

₹ in million

| Particulars  | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| Salary, Wages and Bonus  | 1,138.59                         | 935.95                           |
| Remuneration to Directors  | 129.74                           | 62.22                            |
| Contribution to Provident Fund and other Fund* (including gratuity and compensated absences) | 76.31                            | 43.73                            |
| Other employee related benefit expenses  | 91.98                            | 87.17                            |
| Staff Welfare  | 40.31                            | 31.44                            |
| <b>Total</b>   | <b>1,476.93</b>                  | <b>1,160.51</b>                  |

\*Refer note 35

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 30. Finance Cost

₹ in million

| Particulars                   | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|-------------------------------|----------------------------------|----------------------------------|
| <b>Interest</b>               |                                  |                                  |
| On Working Capital from Banks | 41.77                            | 69.08                            |
| On Term Loan                  | 1.89                             | -                                |
| On Lease Liability            | 2.60                             | 3.19                             |
| Others                        | 4.36                             | 30.13                            |
|                               | 50.63                            | 102.40                           |
| Less : Capitalised            | 1.89                             | -                                |
|                               | 48.73                            | 102.40                           |
| Bank Commission and Charges   | 16.27                            | 7.73                             |
| <b>Total</b>                  | <b>65.00</b>                     | <b>110.13</b>                    |

\* Borrowing costs are capitalised using rates based on specific borrowing, at floating rate 8.10% p.a. linked to external benchmark (P.Y.: NIL)

### 31. Other Expenses

₹ in million

| Particulars                                    | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| Consumption of Stores and Spares               | 176.90                           | 141.52                           |
| Power and Fuel Expenses                        | 603.27                           | 556.38                           |
| Labour Charges                                 | 432.69                           | 393.94                           |
| Repairs Expenses                               |                                  |                                  |
| Repairs to Machinery                           | 26.14                            | 19.75                            |
| Repairs to Others                              | 17.27                            | 20.87                            |
| Factory Maintenance Expenses                   | 66.07                            | 67.46                            |
| Computer Expenses                              | 58.15                            | 44.09                            |
| Brokerage and Commission                       | -                                | 0.47                             |
| Printing and Stationery                        | 2.22                             | 8.39                             |
| Telephone and Internet Charges                 | 4.00                             | 4.69                             |
| Rates and Taxes                                | 18.54                            | 52.51                            |
| Insurance Premium                              | 31.17                            | 31.73                            |
| Foreign Currency Exchange Difference (Net)     | 33.04                            | 6.11                             |
| MTM Losses on Derivatives                      | -                                | 7.85                             |
| Legal and Professional Fees                    | 53.33                            | 56.91                            |
| Director's Sitting Fees                        | 3.70                             | 3.78                             |
| Transport and Freight Expenses                 | 405.88                           | 361.41                           |
| Advertisement and Sales Promotion Expenses     | 544.31                           | 413.86                           |
| Rent and Maintenance Expenses                  | 111.13                           | 78.45                            |
| Travelling and Conveyance Expenses             | 144.33                           | 105.41                           |
| Provision for Doubtful Debts (net of utilised) | 89.40                            | 31.75                            |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

| Particulars                                      | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| Donation   | 7.50                             | 20.00                            |
| CSR Activities (Refer Note 44)                   | 57.56                            | 42.56                            |
| Electricity Expenses                             | 2.15                             | 2.14                             |
| Vendor and other write off                       | 12.54                            | 0.16                             |
| Miscellaneous Expenses                           | 37.62                            | 47.19                            |
| Payment to Auditors                              |                                  |                                  |
| Statutory Audit Fees (including limited reviews) | 3.85                             | 3.60                             |
| Tax Audit Fees                                   | 0.47                             | -                                |
| Others (including certification)                 | 0.14                             | 0.14                             |
| <b>Total</b>                                     | <b>2,943.36</b>                  | <b>2,523.12</b>                  |

### 32A Capital Management (Ind AS 1):

The Capital management objective of the Company is 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<br>31-03-2024 | As at<br>31-03-2023 |
|-----------------------|---------------------|---------------------|
| Debt                  | 1,144.41            | 581.34              |
| Equity                | 15,444.03           | 13,639.64           |
| <b>Debt to Equity</b> | <b>0.07</b>         | <b>0.04</b>         |

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 Equity Ratio, etc. which is maintained by the Company.

### 32B Financial Risk Management Objectives (Ind AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is 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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

The sources of risks which the company is exposed to and their management is given below:

| Risk                            | Exposure Arising From   | Measurement                                    | Management  |
|---------------------------------|---|--|---|
| <b>A. Market Risk</b>           |   |  |   |
| 1) <b>Foreign Exchange Risk</b> | Committed commercial transaction  | Cash Flow Forecasting                          | (a) Forward foreign exchange contracts<br>(b) Foreign currency options<br>(c) Principal only/Currency swaps                         |
|                                 | Financial Instruments not denominated in INR                            | Sensitivity Analysis                           |   |
| 2) <b>Interest Rate</b>         | Borrowings at variable rates  | Sensitivity Analysis, Interest rate movements  | Monitoring of limits of fund based and non fund based facilities, diversification of borrowing portfolio                            |
| 3) <b>Commodity Price Risk</b>  | Movement in prices of commodities                                       | Sensitivity Analysis, Commodity price tracking | Active inventory management, Sales Price linked to purchase price   |
| <b>B. Credit Risk</b>           | Trade receivables, Investments, Derivative financial instruments, loans | Ageing analysis, Credit Rating                 | Credit limit and credit worthiness monitoring, Criteria based approval process  |
| <b>C. Liquidity Risks</b>       | Borrowings and Other Liabilities and Liquid investments                 | Rolling cash flow forecasts                    | Monitoring of credit lines and borrowing limits, channel finance arrangement, Adequate unused credit lines and borrowing facilities |

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, 2024

₹ in million

| Outstanding foreign currency exposure (not hedged by forward contracts) | As at<br>31-03-2024 | As at<br>31-03-2023 |
|---|---------------------|---------------------|
| <b>Financial Liabilities</b>  |                     |                     |
| <b>Trade Payables including Creditors for Capital Goods</b>             |                     |                     |
| In USD  | 2.05                | 0.05                |
| In equivalent INR   | 170.60              | 3.77                |
| In CNY  | 0.21                | -                   |
| In equivalent INR   | 2.42                | -                   |
| In Euro   | 0.06                | 0.04                |
| In equivalent INR   | 5.37                | 3.71                |
| <b>Financial Assets</b>   |                     |                     |
| <b>Receivable</b>   | -                   | -                   |

### Foreign Currency sensitivity on unhedged exposure

Gain / (Loss) in rupees due to increase in foreign exchange rates by 1%

₹ in million

| Particular            | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-----------------------|---------------------|---------------------|
| USD - Increase by 1%  | (1.71)              | (0.04)              |
| USD - Decrease by 1%  | 1.71                | 0.04                |
| CNY - Increase by 1%  | (0.02)              | -                   |
| CNY - Decrease by 1%  | 0.02                | -                   |
| EURO - Increase by 1% | (0.05)              | (0.04)              |
| EURO - Decrease by 1% | 0.05                | 0.04                |

## 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<br>Borrowing | Floating Rate<br>Borrowing |
|-------------------------------------|--------------------|----------------------------|
| INR                                 | 1,144.41           | 1,144.41                   |
| USD                                 | -                  | -                          |
| <b>Total as at 31st March, 2024</b> | <b>1,144.41</b>    | <b>1,144.41</b>            |
| INR                                 | 581.34             | 581.34                     |
| USD                                 | -                  | -                          |
| <b>Total as at 31st March, 2023</b> | <b>581.34</b>      | <b>581.34</b>              |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### Interest rate sensitivities for unhedged exposure

Gain / (Loss) due to increase in interest rates by 100 bps

₹ in million

| Particular | As at<br>31-03-2024 | As at<br>31-03-2023 |
|------------|---------------------|---------------------|
| INR        | (11.44)             | (5.81)              |

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.

### Forward exchange Contracts:

(a) Forward contracts outstanding are as under:

| Particular        | Purpose | Currency         | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-------------------|---------|------------------|---------------------|---------------------|
| Forward Contracts | Imports | USD (in million) | 15.89               | 17.07               |

### 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.

#### 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 31st March, 2024 Rs. 5,848.72 million (31st March, 2023 is Rs. 4,150.24 million). There are no customers which account for more than 10% of the company's total revenue from operations for the year ended 31st March, 2024 and 31st March, 2023.

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<br>Provision |
|--|-----------------------------|
| 0 to 275 days                            | Nil                         |
| Above 275 days and less than one year    | 0.75%                       |
| 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%                        |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### Movement of provision for doubtful debts:

₹ in million

| Particular                     | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--------------------------------|---------------------|---------------------|
| Opening Provision              | 166.29              | 136.79              |
| Add: Provision during the year | 60.43               | 29.50               |
| Less: Utilised during the year | -                   | -                   |
| Closing Provision              | 226.72              | 166.29              |

### Other Advances

#### Movement of provision for vendor advances (including capex):

₹ in million

| Particular                     | As at<br>31-03-2024 | As at<br>31-03-2023 |
|--------------------------------|---------------------|---------------------|
| Opening Provision              | 51.23               | 60.33               |
| Add: Provision during the year | -                   | -                   |
| Less: Utilised during the year | 44.70               | 9.10                |
| Closing Provision              | 6.53                | 51.23               |

#### 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.

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.

₹ in million

| As at 31-03-2024             | Less than 1<br>year | 1 to 5 years | More than<br>5 years | Total    |
|------------------------------|---------------------|--------------|----------------------|----------|
| <b>Financial Liabilities</b> |                     |              |                      |          |
| Borrowings                   | 955.44              | 188.97       | -                    | 1,144.41 |
| Trade Payable                | 2,491.38            | -            | -                    | 2,491.38 |
| Other financial liabilities  | 633.97              | -            | -                    | 633.97   |
| Lease Liabilities            | 53.26               | 98.74        | -                    | 152.00   |
| <b>Financial Assets</b>      |                     |              |                      |          |
| Investments                  | 381.88              | -            | -                    | 381.88   |
| Derivative Asset             | 0.99                | -            | -                    | 0.99     |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

₹ in million

| As at 31-03-2023             | Less than 1 year | 1 to 5 years | More than 5 years | Total    |
|------------------------------|------------------|--------------|-------------------|----------|
| <b>Financial Liabilities</b> |                  |              |                   |          |
| Short term borrowings        | 581.34           | -            | -                 | 581.34   |
| Trade Payable                | 3,201.95         | -            | -                 | 3,201.95 |
| Other financial liabilities  | 401.14           | -            | -                 | 401.14   |
| Derivative Liability         | 3.03             | -            | -                 | 3.03     |
| Lease Liabilities            | 16.65            | 30.73        | -                 | 47.38    |
| <b>Financial Assets</b>      |                  |              |                   |          |
| Investments                  | 919.86           | -            | -                 | 919.86   |

### 32C Classification of Financial Assets and Liabilities (Ind AS 107)

₹ in million

| Particular   | As at 31-03-2024 | As at 31-03-2023 |
|--|------------------|------------------|
| <b>Financial Assets at amortised cost*</b>           |                  |                  |
| Trade receivable                                     | 5,848.72         | 4,150.24         |
| Loans  | 4.09             | 4.77             |
| Cash and cash equivalents                            | 761.37           | 1,214.65         |
| Other Balances with Banks                            | 15.77            | 8.50             |
| Other Financial Assets                               | 140.51           | 135.61           |
| Investment   | -                | 103.90           |
| <b>Fair Value through Profit or Loss</b>             |                  |                  |
| Investment   | 378.98           | 916.96           |
| Derivative Asset                                     | 0.99             | -                |
| <b>Fair Value through Other Comprehensive Income</b> |                  |                  |
| Investments  | 2.90             | 2.90             |
| <b>Total</b>   | <b>7,153.32</b>  | <b>6,537.53</b>  |
| <b>Financial Liabilities at amortised cost*</b>      |                  |                  |
| Lease Liabilities                                    | 152.00           | 47.38            |
| Long Term Borrowings                                 | 188.97           | -                |
| Short Term Borrowings                                | 955.44           | 581.34           |
| Trade Payable  | 2,491.38         | 3,201.96         |
| Other Financial Liabilities                          | 633.97           | 404.17           |
| <b>Fair Value through Profit or Loss</b>             |                  |                  |
| Derivative Liability                                 | -                | 3.03             |
| <b>Total</b>   | <b>4,421.76</b>  | <b>4,237.88</b>  |

\* 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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

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.

₹ in million

| Particular   | Fair Value       |                  |
|--|------------------|------------------|
|  | As at 31-03-2024 | As at 31-03-2023 |
| <b>Financial Assets at fair value through profit or loss</b>             |                  |                  |
| Investments-Level 1  | 378.98           | 813.06           |
| <b>Financial Assets at amortised cost</b>                                |                  |                  |
| Investments-Level 1  | -                | 103.90           |
| <b>Fair Value hedging instruments</b>                                    |                  |                  |
| Derivative Assets- level 2   | -                | -                |
| <b>Financial Assets at fair value through other comprehensive income</b> |                  |                  |
| Investment- Level 3  | 2.90             | 2.90             |
| <b>Total</b>   | <b>381.88</b>    | <b>919.86</b>    |
| <b>Fair Value hedging instruments</b>                                    |                  |                  |
| Derivative liability- level 2  | -                | 3.03             |
| <b>Total</b>   | <b>-</b>         | <b>3.03</b>      |

The following table presents the changes in level 3 financial assets:

| Particular  | ₹ in million |
|---|--------------|
| <b>Balance as at 1st April 2022</b>                     | <b>1.40</b>  |
| Acquisitions  | 1.50         |
| Disposals   | -            |
| Gains/(losses) recognised in profit or loss             | -            |
| Gains/(losses) recognised in other comprehensive income | -            |
| Impairment recognised in profit or loss                 | -            |
| <b>Balance as at 31st March 2023</b>                    | <b>2.90</b>  |
| Acquisitions  | -            |
| Disposals   | -            |
| Gains/(losses) recognised in profit or loss             | -            |
| Gains/(losses) recognised in other comprehensive income | -            |
| Impairment recognised in profit or loss                 | -            |
| <b>Balance as at 31st March 2024</b>                    | <b>2.90</b>  |

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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

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 :

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 below :

#### i) Claims against the company not acknowledged as debt

₹ in million

| Particular              | As at<br>31-03-2024 | As at<br>31-03-2023 |
|-------------------------|---------------------|---------------------|
| Income Tax              | 9.70                | 38.14               |
| Excise Duty             | 0.37                | 61.23               |
| Sales Tax including GST | 8.48                | 10.41               |
| Other Cases             | 11.00               | 11.00               |

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 upto Rs. 32.22 million (31st March, 2023 Rs. 26.84 million).

#### iii) Commitments

Estimated amount of Contracts remaining to be executed on Capital account and not provided for are Rs. 2,064.68\* million (31st March, 2023 Rs. 333.19 million) and Other Commitments Rs. NIL million (31st March, 2023 Rs. NIL million)

\*During the year, the Company has entered into an asset purchase agreement with Klaus Waren Fixtures Private Limited and its promoter for the purchase of 'Aquel' brand alongwith other assets in two tranches. The first tranche of acquisition is completed during the year. The above figure includes Rs. 430 million towards the second tranche of the acquisition, subject to the completion of the conditions precedent to the second tranche of the acquisition including but not limited to obtaining consents from governmental authorities.

- 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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 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 29 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss Rs. 76.31 million (31st March, 2023 Rs. 43.73 million).

#### 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 in case of privilege leave 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 31-03-2024 |               |                      | For the year ended 31-03-2023 |              |                      |
|--|-------------------------------|---------------|----------------------|-------------------------------|--------------|----------------------|
|  | Gratuity                      |               | Compensated Absences | Gratuity                      |              | Compensated Absences |
|  | Funded                        | Non Funded    |                      | Funded                        | Non Funded   |                      |
| Present Value of obligations at the beginning of the year  | 2.04                          | 85.68         | 70.56                | 2.47                          | 70.13        | 76.83                |
| Interest Cost  | 0.15                          | 6.54          | 5.38                 | 0.18                          | 5.13         | 5.62                 |
| Current Service Cost                                       | 0.19                          | 14.02         | 28.56                | 0.20                          | 10.23        | 21.92                |
| Benefits paid  | (1.76)                        | (15.59)       | (4.29)               | (1.09)                        | (8.01)       | (5.11)               |
| Actuarial (gain)/ loss on obligation                       | 1.55                          | 24.79         | (16.65)              | 0.28                          | 8.20         | (28.70)              |
| <b>Present Value of obligations at the end of the year</b> | <b>2.16</b>                   | <b>115.43</b> | <b>83.56</b>         | <b>2.04</b>                   | <b>85.68</b> | <b>70.56</b>         |

#### ii) Statement showing changes in the fair value of plan assets ₹ in million

| Particulars   | For the year ended 31-03-2024 |            |                      | For the year ended 31-03-2023 |            |                      |
|---|-------------------------------|------------|----------------------|-------------------------------|------------|----------------------|
|   | Gratuity                      |            | Compensated Absences | Gratuity                      |            | Compensated Absences |
|   | Funded                        | Non Funded |                      | Funded                        | Non Funded |                      |
| Fair Value of plan assets at the beginning of the year  | 1.79                          | -          | -                    | 2.72                          | -          | -                    |
| Adjustment due to opening balance                       |                               | -          | -                    | -                             | -          | -                    |
| Actual Return on Plan Assets                            | 0.07                          | -          | -                    | 0.16                          | -          | -                    |
| Benefits paid   | (1.76)                        | -          | -                    | (1.09)                        | -          | -                    |
| <b>Fair Value of Plan Assets at the end of the year</b> | <b>0.10</b>                   | <b>-</b>   | <b>-</b>             | <b>1.79</b>                   | <b>-</b>   | <b>-</b>             |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### iii) Amount to be recognised in the Balance Sheet

₹ in million

| Particulars  | For the year ended 31-03-2024 |                 |                      | For the year ended 31-03-2023 |                |                      |
|--|-------------------------------|-----------------|----------------------|-------------------------------|----------------|----------------------|
|  | Gratuity                      |                 | Compensated Absences | Gratuity                      |                | Compensated Absences |
|  | Funded                        | Non Funded      |                      | Funded                        | Non Funded     |                      |
| Present Value of obligation                                  | (2.16)                        | (115.43)        | (83.56)              | (2.04)                        | (85.68)        | (70.56)              |
| Fair Value of Plan Assets                                    | -                             | -               | -                    | 1.79                          | -              | -                    |
| Funded Status  | (2.16)                        | (115.43)        | (83.56)              | (0.25)                        | (85.68)        | (70.56)              |
| <b>Net Asset/(Liability) recognised in the Balance Sheet</b> | <b>(2.16)</b>                 | <b>(115.43)</b> | <b>(83.56)</b>       | <b>(0.25)</b>                 | <b>(85.68)</b> | <b>(70.56)</b>       |
| Excess Fund with LIC   | 0.10                          | -               | -                    | -                             | -              | -                    |

### iv) Expenses recognised in the Profit and Loss Statement

₹ in million

| Particulars   | For the year ended 31-03-2024 |              |                      | For the year ended 31-03-2023 |              |                      |
|---|-------------------------------|--------------|----------------------|-------------------------------|--------------|----------------------|
|   | Gratuity                      |              | Compensated Absences | Gratuity                      |              | Compensated Absences |
|   | Funded                        | Non Funded   |                      | Funded                        | Non Funded   |                      |
| Current Service Cost  | 0.19                          | 14.02        | 28.56                | -                             | 10.23        | 21.92                |
| Interest Cost   | 0.02                          | 6.54         | 5.38                 | -                             | 5.13         | 5.62                 |
| Net Actuarial (gain)/ loss recognised in the year           | -                             | -            | -                    | -                             | -            | -                    |
| <b>Expenses recognised in the Profit and Loss Statement</b> | <b>0.21</b>                   | <b>20.55</b> | <b>33.94</b>         | <b>-</b>                      | <b>15.36</b> | <b>27.54</b>         |

### v) Re-Measurement recognised in OCI

₹ in million

| Particulars   | For the year ended 31-03-2024 |              |                      | For the year ended 31-03-2023 |             |                      |
|---|-------------------------------|--------------|----------------------|-------------------------------|-------------|----------------------|
|   | Gratuity                      |              | Compensated Absences | Gratuity                      |             | Compensated Absences |
|   | Funded                        | Non Funded   |                      | Funded                        | Non Funded  |                      |
| Changes in Financial Assumptions                          | 0.19                          | 9.26         | -                    | -                             | 6.60        | -                    |
| Changes in Demographic Assumptions                        | -                             | -            | -                    | -                             | -           | -                    |
| Experience Adjustment                                     | 1.36                          | 15.53        | -                    | -                             | 1.60        | -                    |
| Actual return on Plan Assets less interest on plan assets | -                             | -            | -                    | -                             | -           | -                    |
| <b>Expenses recognised in OCI [Loss /(Gain)]</b>          | <b>1.61</b>                   | <b>24.79</b> | <b>-</b>             | <b>-</b>                      | <b>8.20</b> | <b>-</b>             |

### vi) Maturity Profile of Defined Benefit Obligation

₹ in million

| Particulars           | For the year ended 31-03-2024 |            |                      | For the year ended 31-03-2023 |            |                      |
|-----------------------|-------------------------------|------------|----------------------|-------------------------------|------------|----------------------|
|                       | Gratuity                      |            | Compensated Absences | Gratuity                      |            | Compensated Absences |
|                       | Funded                        | Non Funded |                      | Funded                        | Non Funded |                      |
| Within next 12 month  | 0.23                          | 21.81      | 12.37                | 0.35                          | 13.29      | 8.91                 |
| Between 1 and 4 year  | 0.91                          | 74.77      | 36.70                | 1.00                          | 51.52      | 33.77                |
| Between 5 and 10 year | 0.39                          | 24.32      | 13.48                | 0.68                          | 2.09       | 28.08                |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### vii) Sensitivity Analysis for significant assumption

₹ in million

| Particulars                               | For the year ended 31-03-2024 |            |                      | For the year ended 31-03-2023 |            |                      |
|---|-------------------------------|------------|----------------------|-------------------------------|------------|----------------------|
|   | Gratuity                      |            | Compensated Absences | Gratuity                      |            | Compensated Absences |
|   | Funded                        | Non Funded |                      | Funded                        | Non Funded |                      |
| 0.5% Increase in discount rate            | (0.08)                        | (3.59)     | (5.50)               | (0.07)                        | (2.64)     | (2.10)               |
| 0.5% decrease in discount rate            | 0.08                          | 3.81       | 0.91                 | 0.07                          | 2.77       | 2.22                 |
| 0.5% Increase in salary escalation clause | 0.08                          | 3.83       | 0.96                 | 0.07                          | 2.82       | 2.28                 |
| 0.5% Decrease in salary escalation clause | (0.08)                        | (3.65)     | (5.57)               | (0.07)                        | (2.71)     | (2.17)               |

\* 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

| Particulars                    | For the year ended 31-03-2024 |            |                      | For the year ended 31-03-2023 |            |                      |
|--------------------------------|-------------------------------|------------|----------------------|-------------------------------|------------|----------------------|
|                                | 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

| Particulars                      | For the year ended 31-03-2024                     |   |   | For the year ended 31-03-2023                     |   |   |
|----------------------------------|---|---|---|---|---|---|
|                                  | Gratuity  |   | Compensated Absences                              | Gratuity  |   | Compensated Absences                              |
|                                  | Funded  | Non Funded  |   | Funded  | Non Funded  |   |
| Discounted Rate                  | 7.22%   | 7.22%   | 7.22%   | 7.50%   | 7.63%   | 7.50%   |
| 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 | 6.00%   | 6.00%   | 6.00%   | 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.   |

### x)

| Particulars   | For the year ended 31-03-2024 |            |                      | For the year ended 31-03-2023 |            |                      |
|---|-------------------------------|------------|----------------------|-------------------------------|------------|----------------------|
|   | Gratuity                      |            | Compensated Absences | Gratuity                      |            | Compensated Absences |
|   | Funded                        | Non Funded |                      | Funded                        | Non Funded |                      |
| Weighted average duration of defined benefit obligation | 11.45                         | 14.26      | NA                   | 10.44                         | 13.83      | 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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

₹ in million

### 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 ₹ NIL (31st March, 2023 of ₹ NIL).

### 36 Related Party Disclosures (only where there are transactions)

₹ in million

| a) Name of Related Party  | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|---|-------------------------------|-------------------------------|
| Mr. Jayant S. Chheda (Chairman and Managing Director)                         | KMP *                         | KMP *                         |
| Mr. Parag J. Chheda (Joint Managing Director)                                 | KMP *                         | KMP *                         |
| Mr. Vipul J. Chheda (Whole Time Director)                                     | KMP *                         | KMP *                         |
| Mr. Ramesh Chandak (Independent Director till 15.09.2023)                     | KMP *                         | KMP *                         |
| Mr. Mohinder Pal Bansal (Independent Director till 19.05.2022)                | KMP *                         | KMP *                         |
| Mr. Dilip Deshpande (Independent Director till 18.05.2024)                    | KMP *                         | KMP *                         |
| Mrs. Uma Mandavgane (Independent Director till 15.09.2023)                    | KMP *                         | KMP *                         |
| Mr. Rajendra Gogri (Independent Director)                                     | KMP *                         | KMP *                         |
| Ms. Amisha Vora (Independent Director w.e.f 10.08.2023)                       | KMP *                         | KMP *                         |
| Mr. Anand Gupta (Chief Financial Officer w.e.f 07.11.2023)                    | KMP *                         | KMP *                         |
| Mr. Shyam Sharda (Chief Financial Officer till 04.10.2023)                    | KMP *                         | KMP *                         |
| Mr. Shailesh Bhaskar (Company Secretary)                                      | KMP *                         | KMP *                         |
| Mrs. Tarla J. Chheda (Wife of Managing Director)                              | Relatives **                  | Relatives **                  |
| Mrs. Ashwini V. Chheda (Wife of Whole Time Director)                          | Relatives **                  | Relatives **                  |
| Jayant S. Chheda (HUF) (Relative)   | Relatives **                  | Relatives **                  |
| Mrs. Vaishali H. Shah (Daughter of Managing Director)                         | Relatives **                  | Relatives **                  |
| Mrs. Heena P. Chheda (President HR /Wife of Joint Managing Director)          | Relatives **                  | Relatives **                  |
| Mr. Nihar P. Chheda (Vice President Strategy /Son of Joint Managing Director) | Relatives **                  | Relatives **                  |
| Mr. Mansukh Koovarji Shah (Brother-in-law of Managing Director)               | Relatives **                  | Relatives **                  |
| Mr. Jayantilal K. Gada (Father-in-Law of Joint Managing Director)             | Relatives **                  | Relatives **                  |
| Mr. Jayant S. Chheda (Trustee of V.S. Family Trust)                           | Relatives **                  | Relatives **                  |
| Prince Marketing  | SI ***                        | SI ***                        |
| Prince Foundation   | SI ***                        | SI ***                        |
| Amardeep Udyog (Firm)   | SI ***                        | SI ***                        |
| Albright Aluminium Industries (Firm)  | SI ***                        | SI ***                        |

\*Key Management Personnel as per the Companies Act 2013 (Refer Note 15 for promoter shareholding)

\*\* Relatives represents close members of Key Managerial Personnel as defined in Ind AS 24

\*\*\* SI represents Enterprises over which Key Managerial Personnel have significant influence as defined in Ind AS 24

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

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 31-03-2024 | For the year ended 31-03-2023 |
|---|-----------------------------|-------------------------------|-------------------------------|
| Jayant S. Chheda                                    | Rent expense                | 2.79                          | 2.79                          |
| Parag J. Chheda                                     | Rent expense                | 5.59                          | 5.59                          |
| Vipul J. Chheda                                     | Rent expense                | 5.59                          | 5.59                          |
| Tarla J. Chheda                                     | Rent expense                | 2.79                          | 2.79                          |
| Ashwini V. Chheda                                   | Rent expense                | 5.59                          | 5.59                          |
| Prince Marketing                                    | Rent expense                | 1.66                          | -                             |
| Amardeep Udyog (Firm)                               | Purchase of Goods           | 0.15                          | 0.88                          |
| Jayant S. Chheda                                    | Remuneration and Commission | 52.26                         | 28.93                         |
| Parag J. Chheda                                     | Remuneration and Commission | 48.11                         | 25.04                         |
| Vipul J. Chheda                                     | Remuneration and Commission | 45.03                         | 22.53                         |
| Jayant S. Chheda                                    | Dividend paid               | -                             | 13.50                         |
| Parag J. Chheda                                     | Dividend paid               | -                             | 43.17                         |
| Vipul J. Chheda                                     | Dividend paid               | -                             | 44.30                         |
| Tarla J. Chheda                                     | Dividend paid               | -                             | 34.77                         |
| Jayant S. Chheda (Trustee of V.S. Family Trust)     | Dividend paid               | -                             | 2.40                          |
| Vaishali H. Shah                                    | Dividend paid               | -                             | 1.00                          |
| Jayantilal K. Gada                                  | Dividend paid               | -                             | 0.12                          |
| Gunvanti J. Gada                                    | Dividend paid               | -                             | 0.08                          |
| Heena P. Chheda                                     | Dividend paid               | -                             | 0.03                          |
| Ashwini V. Chheda                                   | Dividend paid               | -                             | 0.01                          |
| Shyam K. Sharda                                     | Dividend paid               | -                             | 0.05                          |
| Mansukh Koovarji Shah                               | Dividend paid               | -                             | 0.00                          |
| Ashwini V. Chheda                                   | Salary                      | 1.86                          | 1.54                          |
| Heena P. Chheda                                     | Salary                      | 11.34                         | 9.28                          |
| Nihar P. Chheda                                     | Salary                      | 10.95                         | 7.93                          |
| Vaishali H. Shah                                    | Salary                      | 1.01                          | 0.82                          |
| Shyam K. Sharda                                     | Salary                      | 10.38                         | 10.92                         |
| Shailesh Bhaskar                                    | Salary                      | 2.74                          | 2.51                          |
| Anand Gupta   | Salary                      | 2.58                          | -                             |
| Shailesh Bhaskar                                    | Loan Repaid                 | 0.23                          | 0.47                          |
| Prince Marketing                                    | Deposit Given               | 9.93                          | -                             |
| Prince Foundation                                   | Donation                    | 7.50                          | 20.00                         |
| Albright Aluminium Industries                       | Rent expense                | 0.02                          | 0.02                          |
| Mr. Ramesh Chandak (Independent Director)           | Sitting fees                | 0.50                          | 1.05                          |
| Ms. Amisha Vora (Independent Director)              | Sitting fees                | 0.65                          | -                             |
| Mr. Mohinder Pal Bansal (Independent Director)      | Sitting fees                | -                             | 0.23                          |
| Mr. Rajendra Vallabhji Gogri (Independent Director) | Sitting fees                | 0.95                          | 0.60                          |
| Mr. Dilip Deshpande (Independent Director)          | Sitting fees                | 1.05                          | 0.70                          |
| Mrs. Uma Mandavgane (Independent Director)          | Sitting fees                | 0.55                          | 1.20                          |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### c) Outstanding balances:

₹ in million

| Name of the transacting related party | Nature of Transaction               | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|---------------------------------------|-------------------------------------|-------------------------------|-------------------------------|
| Amardeep Udyog (Firm)                 | Trade Payables                      | 0.01                          | -                             |
| Jayant S. Chheda                      | Remuneration and Commission Payable | 12.65                         | 2.56                          |
| Parag J. Chheda                       | Remuneration and Commission Payable | 12.30                         | 2.23                          |
| Vipul J. Chheda                       | Remuneration and Commission Payable | 12.03                         | 2.01                          |
| Jayant S. Chheda                      | Deposit given                       | 1.35                          | 1.35                          |
| Parag J. Chheda                       | Deposit given                       | 2.70                          | 2.70                          |
| Prince Marketing                      | Deposit given                       | 9.93                          | -                             |
| 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                          |
| Albright Aluminium Industries         | Rent payable                        | -                             | 0.02                          |
| Shyam K. Sharda                       | Salary Payable                      | -                             | 0.85                          |
| Anand Gupta                           | Salary Payable                      | 0.54                          | -                             |
| Shailesh Bhaskar                      | Salary Payable                      | 0.21                          | 0.19                          |
| Shailesh Bhaskar                      | Loan given                          | -                             | 0.23                          |
| Heena P. Chheda                       | Salary Payable                      | 1.03                          | 0.86                          |
| Nihar P Chheda                        | Salary Payable                      | 1.03                          | 0.79                          |
| Vaishali H. Shah                      | Salary Payable                      | 0.08                          | 0.07                          |
| Ashwini V. Chheda                     | Salary Payable                      | 0.16                          | 0.13                          |

Key Managerial Personnel and their Relatives who are under the employment of the Company are entitled to post employment benefits as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

All transactions entered into with related parties during the year were on arm's length basis, in the ordinary course of business. List of Related Parties and transactions have been identified by the management and relied upon by the Auditors.

### 37 Income Taxes (Ind AS 12)

#### Reconciliation of Effective Tax Rate

₹ in million

| Particulars  | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|--|-------------------------------|-------------------------------|
| Profit after Exceptional Items and before Tax (in million) | 2,437.68                      | 1,648.41                      |
| Tax Expense (in million)                                   | 612.72                        | 434.20                        |
| Effective Tax Rate (in %)                                  | 25.14%                        | 26.34%                        |
| Effect of Non-Deductible / Deductible expenses (in %)      | 0.03%                         | -1.17%                        |
| <b>Applicable Tax Rate (in %)</b>                          | <b>25.17%</b>                 | <b>25.17%</b>                 |

38 The Company is primarily engaged in manufacturing and selling of pipes and Fittings and allied products in India. It comprises of Pipes and Fittings, Bathware Sanitary and Faucet and allied products. 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.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

Further, during the year as well as the previous year, Revenue from sale of products outside India is insignificant and hence, separate disclosure is not given. No Single customer represents 10% or more of the Company's total Revenue for the year ended 31st March 2024 and year ended 31st March 2023.

### 39 Disclosure pertaining to Ind AS-33 Earnings Per Share

Earnings per share (EPS) is calculated as under :

Rs. in million except per share data

| Sr No | Particulars   | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|-------|---|-------------------------------|-------------------------------|
| 1     | Profit for the year attributable to owners of the company excluding exceptional item (A)  | 1,645.69                      | 1,214.21                      |
| 2     | Profit for the year attributable to owners of the company including exceptional item (A1) | 1,824.97                      | 1,214.21                      |
| 3     | Weighted average number of equity shares for Basic EPS (B)                                | 110,561,079                   | 110,561,079                   |
| 4     | Basic EPS excluding exceptional item (A/B)  | 14.88                         | 10.98                         |
| 5     | Basic EPS including exceptional item (A1/B)   | 16.51                         | 10.98                         |
| 6     | Weighted average number of equity shares for Diluted EPS (C )                             | 110,561,079                   | 110,561,079                   |
| 7     | Diluted EPS excluding exceptional item (A/C)  | 14.88                         | 10.98                         |
| 8     | Diluted EPS including exceptional item (A1/C)   | 16.51                         | 10.98                         |
| 9     | Nominal Value of Share  | 10.00                         | 10.00                         |

### 40 Disclosure pertaining to Ind AS 116 Lease is as under

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.

Amounts recognized in Statement of Profit and Loss

₹ in million

| Particulars  | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|--|-------------------------------|-------------------------------|
| Interest expenses on Lease Liabilities                   | 2.60                          | 3.19                          |
| Expenses relating to short-term leases/ low-value assets | 63.40                         | 36.36                         |

Amounts recognized in Statement of Cash Flow

₹ in million

| Particulars                   | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|-------------------------------|-------------------------------|-------------------------------|
| Total Cash Outflow for Leases | 22.39                         | 34.75                         |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### Movement in lease liabilities balances

₹ in million

| Particulars                      | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|----------------------------------|-------------------------------|-------------------------------|
| <b>Opening Balance</b>           | <b>47.38</b>                  | <b>19.28</b>                  |
| Additions during the year        | 124.40                        | 59.66                         |
| Interest accrued during the year | 2.60                          | 3.19                          |
| Deletions                        | -                             | -                             |
| Payment of lease liabilities     | (22.39)                       | (34.75)                       |
| <b>Closing Balance</b>           | <b>152.00</b>                 | <b>47.38</b>                  |
| Current lease liabilities        | 53.26                         | 16.65                         |
| Non Current lease liabilities    | 98.74                         | 30.73                         |

### Maturity analysis of lease liabilities– contractual undiscounted cash flows:

₹ in million

| Particulars  | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|--|-------------------------------|-------------------------------|
| Less than one year   | 53.26                         | 16.65                         |
| One to five years  | 98.74                         | 30.73                         |
| More than five years                                       | -                             | -                             |
| <b>Total undiscounted lease liabilities as at year end</b> | <b>152.00</b>                 | <b>47.38</b>                  |

Refer Note 5 for details of Right to Use Assets

### 41 Information as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

₹ in million

| Sr No | Particulars   | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|-------|---|-------------------------------|-------------------------------|
| a (i) | The principal amount remaining unpaid to any supplier at the end of accounting year   | 536.14                        | 357.43                        |
| (ii)  | Interest due on above and unpaid interest   | 3.53                          | 3.92                          |
|       | <b>Total (i+ii)</b>   | <b>539.67</b>                 | <b>361.35</b>                 |
| 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   | 3.53                          | 3.92                          |
| 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, 2024

### 42 Revenue (IND AS 115)

#### a. Revenue from manufacturing and trading activities

The Company is primarily engaged in manufacturing and selling of pipes and Fittings and allied products in India. It comprises of Pipes and Fittings, Bathware Sanitary and Faucet and allied products. 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<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| Revenue as per Contract price                      | 26,659.92                        | 28,201.79                        |
| <b>Less:</b> Discounts and incentives              | 1,069.22                         | 1,182.68                         |
| <b>Revenue as per statement of profit and loss</b> | <b>25,590.70</b>                 | <b>27,019.11</b>                 |

Contract liability (Advances from Customers):

₹ in million

| Particulars                | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|----------------------------|----------------------------------|----------------------------------|
| Closing Contract Liability | 73.93                            | 28.45                            |

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March, 2024.

#### 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 and similar projects in other states. 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. Pending acknowledgement from the state of Andhra Pradesh, revenue to the extent of Rs 19.50 million (P.Y. Rs 19.50 million) (gross) is not recognised and corresponding cost incurred is carried forward under contract assets.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹ in million

| Particulars  | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|--|----------------------------------|----------------------------------|
| Revenue as per Contract price                      | 25.11                            | 15.31                            |
| Less: Discounts and incentives                     | -                                | -                                |
| <b>Revenue as per statement of profit and loss</b> | <b>25.11</b>                     | <b>15.31</b>                     |

Contract Assets & liability :

₹ in million

| Particulars                | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|----------------------------|----------------------------------|----------------------------------|
| Closing Contract Asset     | 5.66                             | 5.66                             |
| Closing Contract Liability | -                                | -                                |

43 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.

#### 44 Corporate Social Responsibility:

₹ in million

| Sr No | Particulars   | For the year ended<br>31-03-2024 | For the year ended<br>31-03-2023 |
|-------|---|----------------------------------|----------------------------------|
| 1     | Gross amount to be spent by the company*  | 55.68                            | 54.06                            |
| 2     | Amount spent during the year  | 57.56                            | 42.56                            |
| 3     | Excess/ (short) amount spent for the financial year [(2)-(1)]   | 1.88                             | (11.50)                          |
| 4     | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any**     | 1.23                             | 12.73                            |
| 5     | Amount available for set off in succeeding financial years [(3)-(4)]  | 3.10                             | 1.23                             |
|       | Previous Years Cumulative Shortfall & Reason for Shortfall  | NIL                              |                                  |
|       | Details of related party transactions in relation to CSR Expenditure as per IND AS 24 - Related party disclosures | -                                | -                                |

\*Nature of CSR Activities – Enhance plumbing skills and providing essential healthcare services, Enhance access to safe drinking water and augment groundwater recharge, Enhance communities' quality of life through water access and entrepreneurship skills to women, boosting farm-based livelihoods, and Rescue & rehabilitation of animals and education aid.

\*\* Surplus of previous years is utilised against shortfall for the year.

45 The Board of Directors of the Company at its meeting held on 16.05.2024 have recommended a final dividend of Rs 1 per share of face value of Rs 10/- each for the year ended 31.03.2024 which is subject to shareholders approval in ensuing annual general meeting.

46 The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

#### 47 Details of Crypto currency or Virtual currency

The Company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

### 48 Compliance with number of layers of companies

The Company does not have any subsidiary company accordingly compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 does not arise.

### 49 Utilisation of borrowed funds

The Company has not advanced any funds or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The Company has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

### 50 Relationship with struck off companies

The Company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.

### 51 Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

### 52 Wilful defaulter

As on 31st March, 2024 the Company has not been declared wilful defaulter by any bank/financial institution or other lender.

### 53 The Company uses the accounting software 'Microsoft Dynamics 365' for maintaining books of account. During the year ended 31 March 2024, the Company had enabled the feature of recording audit trail (edit log) for all transactions recorded in the said software except for non-transactional activities for which the Company is in the process to enable a feature of recording audit trail (edit log) facility pursuant to migration to new accounting software.

### 54 Ratios

The following are analytical ratios for the year ended 31st March, 2024 and 31st March, 2023.

| Ratio                                  | Numerator   | Denominator                       | Current Year | Previous Year | % Variance | Reason for variance  |
|--|---|-----------------------------------|--------------|---------------|------------|--|
| Current Ratio (in times)               | Current Assets  | Current Liabilities               | 2.43         | 2.45          | -0.76%     | Not Applicable   |
| Debt Equity Ratio (in times)           | Total Debt  | Shareholders Equity               | 0.07         | 0.04          | 73.86%     | The Company has availed credit facilities for operational expansion activities |
| Debt Service Coverage Ratio (in times) | Earnings available for Debt Service = Net Profit after taxes - Exceptional Item + depreciation and other amortizations + Interest + Loss on sale of Property, Plant & Equipment | Debt Service = Average Total Debt | 3.02         | 2.06          | 46.41%     | Improved profitability has led to better coverage ratio                        |
| Return on Equity Ratio (in %)          | Net Profits after taxes - Exceptional Item  | Average Shareholders Equity       | 11.32%       | 9.24%         | 22.53%     | Not Applicable   |

## Notes to the Financial Statements

For The Year Ended 31st March, 2024

| Ratio   | Numerator   | Denominator   | Current Year | Previous Year | % Variance | Reason for variance   |
|---|---|---|--------------|---------------|------------|---|
| Inventory/<br>Stock turnover ratio (in times) | Revenue from Operations   | Average Inventory   | 5.95         | 5.19          | 14.61%     | Not Applicable  |
| Trade Receivables turnover ratio (in times)   | Revenue from Operations   | Average Trade Receivables   | 5.14         | 6.38          | -19.48%    | Not Applicable  |
| Trade payables turnover ratio (in times)      | Cost of Materials Consumed + Purchase of Stock-in-Trade + Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | Average Trade Payables  | 6.39         | 5.82          | 9.78%      | Not Applicable  |
| Net capital turnover ratio (in times)         | Revenue from Operations   | Working Capital   | 3.50         | 4.07          | -14.01%    | Not Applicable  |
| Net profit ratio (in %)                       | Profit for the year after Tax   | Revenue from Operations   | 7.10%        | 4.48%         | 58.62%     | Improved profitability including Exceptional item for the year ended 31.03.2024.                  |
| Return on Capital employed (in %)             | Earning before exceptional items, interest and taxes  | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 13.82%       | 12.24%        | 12.92%     | Not Applicable  |
| Return on Investment (in %)                   | Income generated from invested funds  | Average Investment  | 8.51%        | 5.92%         | 43.75%     | Return on Investment is increase due to change in investment mix containing higher rate of return |

As per our attached report on even date

For and on behalf of the Board of Directors

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm Registration Number: 116560W/W100149

**Milan Mody**

Partner

Membership No. 103286

Place: Mumbai

Date: 16.05.2024

**Jayant S. Chheda**

Managing Director

(DIN No : 00013206)

**Anand Gupta**

Chief Financial Officer

Place: Mumbai

Date: 16.05.2024

**Parag J. Chheda**

Director

(DIN No : 00013222)

**Shailesh Bhaskar**

Company Secretary



**PRINC 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 37th Annual General Meeting

NOTICE is hereby given that the Thirty-Seventh (37th) Annual General Meeting ("AGM") of the members of Prince Pipes and Fittings Limited ("Company") will be held on Wednesday, September 11, 2024, at 11.30 a.m. IST through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.
- To declare final dividend of ₹1/- (Rupees One) per equity share face value of ₹10/- each for the Financial Year ended March 31, 2024.
- To appoint a Director in place of Mr. Jayant Chheda (DIN: 00013206), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

- To ratify the remuneration payable to Cost Auditors for the Financial Year 2024-25:**

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), Ms. Ketki D. Visariya, Cost Accountant (Firm Registration No. 102266), appointed as Cost Auditor of the company by the Board of Directors on recommendation of the Audit Committee for conducting the Audit of the Cost records of the Company for the Financial Year ending March 31, 2025, be paid a remuneration of ₹3,99,300/- (Rupees Three Lakh Ninety-Nine Thousand Three Hundred Only), per annum plus applicable taxes and reimbursement of all

out-of-pocket expenses as may be incurred in connection with the audit of the Cost Records 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."

- To reappoint and increase in the remuneration payable to Mrs. Heena Chheda being related party, holding office or place of profit in the Company:**

To consider and if thought fit, 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 and continue to hold an office or place of profit in the Company and increase in her remuneration by 10% p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 10,31,250/- Per Month) for a period of one year effective from October 01, 2024, to September 30, 2025, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company and 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 severally 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."

**6. To reappoint and increase in the remuneration payable to Mr. Nihar Chheda being related party, holding office or place of profit in the Company:**

To consider and if thought fit, 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 10% p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs.10,31,168/- per month) for a period of one year effective from October 01, 2024, to September 30, 2025, plus other perquisites including company’s contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company and 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 severally 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. To approve shifting of the registered office of the Company from one state to another and consequent amendments in the Memorandum of Association of the Company:**

To consider and if thought fit, to pass, with or without modification (s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 12, 13 and other applicable provisions, if any, of the Companies

Act, 2013 (‘the Act’) read with the Rule 30 of the Companies (Incorporation) Rules 2014 including any amendment, reenactment or statutory modification thereof and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended, modified or restated, and subject to the approval of the Central Government (Power Delegated to Regional Director) and/ or any authority(ies) as may be prescribed from time to time, the consent of the members of the Company be and is hereby accorded for shifting of Registered Office of the Company from the State of “Goa” to the Union Territory of “Dadra and Nagar Haveli” and the existing clause II of Memorandum of Association regarding Registered Office of the Company be substituted with the following clause:

II. The Registered Office of the Company will be situated in the Union Territory of “Dadra and Nagar Haveli”.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (‘the Board’), which includes any Committee of the Board, or any officer/executive/representative and/ or any other person so authorized by the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, things and execute all such application, forms, deeds, documents, instruments, writings and do such acts, deeds including selection of location of the registered office of the Company within the jurisdiction of Registrar of Companies, Ahmedabad, Gujarat, in its absolute discretion including any modifications, changes, variations, alterations or revisions stipulated by any authority, while according / granting approval, consent as may be considered necessary, expedient or desirable, including power to sub-delegate its authority, and to appoint counsels/consultant and advisors, file applications/ petitions, issue notices, advertisements, obtain orders in order to give effect to the foregoing resolution or otherwise as may be considered necessary and deem fit by the Board to be in the best interest of the Company and to settle any questions, issues, difficulties or doubts that may arise in this regard without further consent or approval of the members of the Company.”

By Order of the Board of Directors  
For **Prince Pipes and Fittings Limited**

Sd/-

**Jayant Chheda**  
Chairman and Managing Director  
(DIN: 00013206)

Place: Mumbai

Date: August 01, 2024

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. The Ministry of Corporate Affairs ("MCA") has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022 read with General Circular No. 09/2023 dated September 25, 2023 and other circulars issued in this regard ("MCA Circulars") and the Securities and Exchange Board of India ("SEBI") has vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 read with Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October, 2023 and other circulars issued in this regard ("SEBI Circulars") (collectively referred to as "Circulars"), permitted companies to conduct their Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members at a common venue till September 30, 2024. In accordance with the Circulars and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 37th Annual General Meeting ("AGM") of the Company is being conducted through VC/OAVM.
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. 3, 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 37th 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 37th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 37th AGM.
6. Register of Members and the Share transfer books of the Company will remain closed from Thursday, September 05, 2024 to Wednesday, September 11, 2024 (both days inclusive) for the purpose of Annual General Meeting.
7. Electronic copy of the Annual Report will be sent to the members whose email IDs are registered with the Company / Depository Participant(s).
8. 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.
9. 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.
10. 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.
11. Attendance of the Members participating in the 37th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. 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 37th AGM and facility for those Members participating in the 37th AGM to cast vote through e-Voting system during the 37th AGM.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

13. 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 meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the "EVEN 129717" 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.

14. 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.
15. Members who need assistance before or during the AGM with use of technology, can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or use Toll free no.: 022 - 4886 7000 and 022 - 2499 7000.
16. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
17. 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 DEPOSITORY I.e., NSDL AND CDSL**

#### 18. 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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at toll free no.: 022-48867000 and 022-24997000.                  |
| 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43 |

#### VOTING THROUGH ELECTRONIC MEANS

19. 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.
20. The Company has appointed Mr. Sanjay Dholakia, Practicing 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.
21. 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 [www.evoting.com](http://www.evoting.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.

22. 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 04, 2024.
23. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Wednesday, September 04, 2024 may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your 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.nsd.com/](http://www.evoting.nsd.com/) or call on toll free no. 022 - 4886 7000 and 022 - 2499 7000 In case of Individual Shareholders holding securities in demat mode 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 i.e. Wednesday, September 04, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
24. 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](http://www.evoting.nsd.com) to reset the password.
25. 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 [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 022-48867000 and 022 - 2499 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) In case of any grievances connected with facility for E-voting, please contact Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013, email: [evoting@nsdl.com](mailto:evoting@nsdl.com), Tel: 022 - 4886 7000 and 022 - 2499 7000.

#### Instructions for members for remote e voting are as under: -

26. The remote e-voting period will commence on Sunday, September 08, 2024, at 09:00 A.M. IST and ends on Tuesday, September 10, 2024, at 05:00 P.M. IST. During this period, Members of the Company, holding shares as on the cut-off date of Wednesday, September 04, 2024, 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.
27. 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 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. | 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. |

| Type of shareholders   | Login Method  |
|--|---|
|  | <p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App <b>"NSDL SPEED-e"</b> facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="537 835 1068 1079" style="border: 1px solid black; padding: 5px; text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;">   </div> </div> |
| <p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p> | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>   |

| Type of shareholders  | Login Method   |
|---|--|
| <b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. 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. |

**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.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type  | Helpdesk details  |
|---|---|
| <b>Individual Shareholders holding securities in demat mode with NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at: 022 - 4886 7000 and 022 - 2499 7000                        |
| <b>Individual Shareholders holding securities in demat mode with CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at toll free no. 1800 22 55 33. |

**B. Login Method for e-Voting 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.<br><br>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.<br><br>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.<br><br>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](http://www.evoting.nsdl.com).
    - b) **PhysicalUserResetPassword?**"(If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) 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 ON NSDL E-VOTING SYSTEM.**
- How to cast your vote electronically 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 is in active status.
  2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
  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.
  28. 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](mailto:investor@princepipes.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
    - 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.

- 3) Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
  - 4) 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
29. Instructions for Members for e-voting during the 37th AGM are as under:
- a) The procedure for e-Voting on the day of the 37th AGM is same as the instructions mentioned above for remote e-voting..
  - b) Only those Members who will be present in the 37th 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 37th 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 37th AGM shall be the same person mentioned for Remote e-voting.
30. Instruction for Members for Participating in the 37th AGM through VC/OAVM are as under:
- a) Member will be provided with a facility to attend the 37th AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN "**129717**" 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.
  - 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 37th 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.com from Thursday, September 05, 2024 (9:00 A.M. IST) to Saturday, September 07,2024 (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.
31. 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.com Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

- 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.: 022-48867000 / 022-24997000 or send a request at evoting@nsdl.com or contact Mr. Amit Vishal, AVP or Ms Pallavi Mhatre Senior 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.com 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 05,, 2024, to Wednesday, September 11,2024 (both days inclusive).
- e. Mr. Sanjay Dholakia, Practicing Company Secretary (CP No. 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 37th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 37th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 37th 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 37th AGM.
- g. The Scrutinizer shall after the conclusion of e-Voting at the 37th 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 two working day from the conclusion of the 37th 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.nsd.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 37th AGM and the Annual Report for the year 2023-24 including therein the Audited Financial Statements for year 2023-24, 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 37th AGM and the Annual Report for the year 2023-24 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:-
  - a. 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.

- b. 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 37th AGM and the Annual Report for the year 2023-24 including therein the Audited Financial Statements for the year 2023-24, will be available on the website of the Company at [www.princepipes.com](http://www.princepipes.com) and the website of BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The Notice of 37th AGM will also be available on the website of NSDL at [www.evoting.nsdl.com](http://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 SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**IN RESPECT OF ITEM NO: 4**

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, 2024, as per the following details:

| Sr. No. | Name of the Auditor | Industry         | Fees  |
|---------|---------------------|------------------|---|
| 1.      | Ketki D. Visariya   | Plastic Products | Rs. 3,99,300/- 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, 2024, by passing an Ordinary Resolution as set out at Item No. 04 of the Notice.

The Board of Directors recommends the resolution set out in Item No. 04 to be passed as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the said resolution in any manner.

**IN RESPECT OF ITEM NO. 5:**

Mrs. Heena Chheda, aged 53 years, is President- Human Resource 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. 2,50,000/- 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 re-appointment 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 May 16, 2024, has approved for increase in remuneration payable to Mrs. Heena Chheda up to 10% p.a. over and above last salary drawn of (presently last salary drawn is Rs.10,31,250 per Month) for a period of one year effective from October 01, 2024, to September 30, 2025, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company.

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, Joint Managing Director (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, Joint Managing Director (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 this explanatory statement.

Monetary value and period of approval: As mentioned in this explanatory statement.

Profile of Mrs. Heena Parag Chheda - President - Human Resource

She has been employed with our Company since 2009. She was on the Board of the Company from October 01, 2016, till November 28, 2019. She holds a bachelor's degree in commerce from the University of Bombay. She has more than 16 years of experience in the piping industry.

The Board recommends the resolution set out at Item No. 5 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.

**IN RESPECT OF ITEM NO. 06:**

Mr. Nihar Chheda, aged 27 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 re-appointment 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 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 May 16, 2024, has approved for increase in remuneration payable to Mr. Nihar Chheda up to 10% p.a. over and above last salary drawn of (presently last salary drawn is Rs.10,31,168 per month) for a period of one year effective from October 01, 2024, to September 30, 2025, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company.

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: Mr. Nihar Chheda

Name of Directors or Key Managerial Personnel who is related: Mr. Jayant Chheda, Managing Director and Mr. Parag Chheda,

Joint Managing Director (Whole-Time Director).

Nature of Relationship: Mr. Nihar Chheda is grandson of Mr. Jayant Chheda, Managing Director, Son of Mr. Parag Chheda, (Joint Managing Director) Whole-Time Director of the Company. In addition, Mr. Vipul Chheda is related to Mr. Jayant Chheda and Mr. Parag Chheda.

Material terms of the contract / arrangement / transactions: As mentioned in this explanatory statement.

**IN RESPECT OF ITEM NO. 07:**

The registered office of the Company is currently situated at Plot No. 1, Honda Industrial Estate, Phase II, Honda Sattari Honda, Goa - 403530. For the purpose of better operational and administrative convenience, the Board of Directors of the Company at its meeting held on 1st August 2024 has approved and recommended to the members of the Company the proposal of shifting of the registered office of the Company from the State of "Goa" to the Union Territory of "Dadra and Nagar Haveli" Shifting of registered office will not be prejudicial to the interest of any employees, shareholders, creditors or any other stakeholders.

The Board is of the view that it would be more viable for the Company to have its Registered Office at its plant located at Survey No. 132/1/1/3, Athal road, Village Athal, Naroli, Silvassa, Dadra Nagar Haveli - 396235. The Board of your Company is of the view that the shifting of Registered Office will help in adequate functioning of the Company. The Board, therefore, proposes that the Company should, for the efficient conduct of business and for the administrative convenience, shift its Registered Office from the State of "Goa" to the Union Territory of "Dadra and Nagar Haveli"

The shifting of the registered office from one state to another and alteration of Clause II of the Memorandum of Association ('the MOA') the company requires the approval of the members of the Company by way of special resolution and that of the Central Government (power delegated to Regional Director), in terms of section 12, 13 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder.

A copy of the MOA of the Company together with the proposed alterations is available for inspection by the members of the Company at its registered office during the normal business hours between 10.00 A.M (IST) to 6:00 P.M. (IST) on all working days up to the date of the meeting.

None of the Directors, Key Managerial Persons or their relatives is in any way concerned or interested financially or otherwise in the said proposed resolution.

The Board recommends the special resolution set out in Item No. 7 of the notice for approval of the members of the Company.

## Annexure "A"

## ANNEXURE TO ITEM NO. 03 OF THE AGM NOTICE

DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/  
RE-APPOINTMENT AT ANNUAL GENERAL MEETING

| Name of Director   | Mr. Jayant Chheda (Chairman and Managing Director)                  |
|--|---|
| 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  | Procurement, Strategy, Accounts & Finance                           |
| Number of shares held in the Company   | 66,52,405 (6.02%)   |
| Terms and Conditions of Appointment / Re- appointment                                  | As detailed in the respective resolutions and explanatory statement |
| 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:<br>Member: Nil                   |
| Numbers of Board Meeting attended in FY 2023-24  | 5/5   |
| Relationship with other Directors / Key Managerial Personnel/ Managers                 | Relative of Mr. Parag Chheda and Mr. Vipul Chheda                   |



**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](http://www.princepipes.com)

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