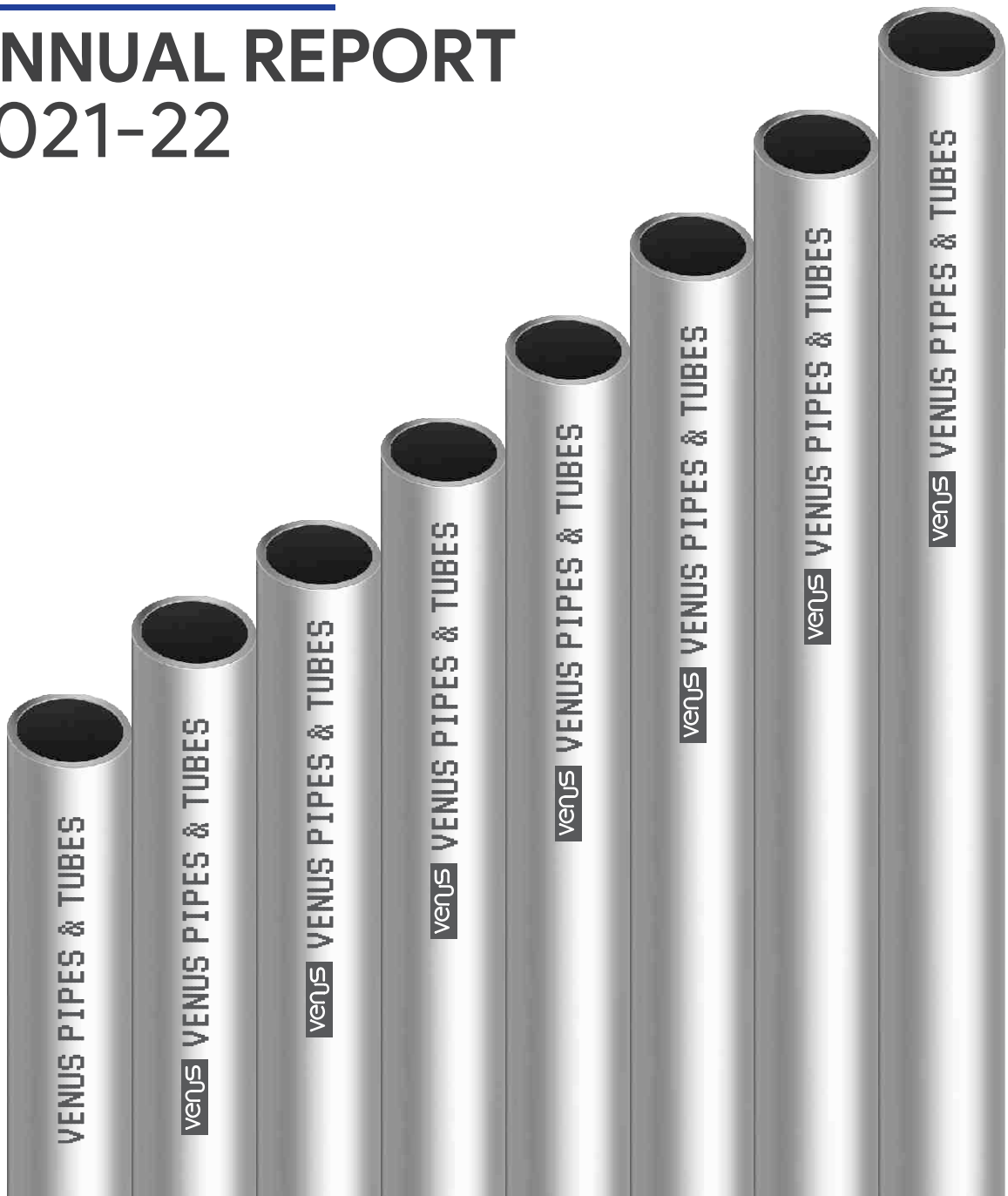


**8** years of  
success

# ANNUAL REPORT 2021-22





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## **Corporate Information**

### **Board of Directors**

<b>Name of Director</b>	<b>Nature of Directorship</b>
Arun Axaykumar Kothari	Managing Director & CFO
Megharam Sagramji Choudhary	Whole Time Director
Dhruv Mahendrakumar Patel	Whole Time Director
Jayantiram Motiram Choudhary	Chairman and Non-Executive Director
Shyam Agrawal	Independent Director
Kailash Nath Bhandari	Independent Director
Pranay Ashok Surana	Independent Director
Komal Lokesh Khadaria	Independent Director

### **Key Managerial Personnel**

<b>Name</b>	<b>Designation</b>
Arun Axaykumar Kothari	Chief Financial officer
Pavan Kumar Jain	Company Secretary

#### **Statutory Auditor**

M/s Maheshwari & Co  
Chartered Accountants  
Surat

#### **Secretarial Auditor**

Piyush Prajapati & Associates  
Company Secretaries  
Gandhidham

### Internal Auditor

Goyal Swati & Co  
Chartered Accountants  
Ahmedabad

### Registrars And Share Transfer Agents

KFIN TECHNOLOGIES LIMITED  
Selenium, Tower B, Plot No- 31 and 32,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddi 500 032 Telangana, India.

### Bankers

1. State Bank of India  
Commercial Branch Morbi,  
Dharamjeet Complex,  
8A National Highway,  
Morbi 363 642  
Gujarat, India
2. Karnataka Bank Limited  
D.No. 168,  
Near Zanda Chowk,  
Gandhidham Gujarat--370 201

### Listed

BSE Limited  
National Stock Exchange of India Ltd. (NSE)

### Registered Office:

Survey No. 233/2 and 234/1,  
Dhaneti, Bhuj, Kachchh - 370020 Gujarat, India.  
Phone: +91 2836 232 183/84  
Email Id- [cs@venuspipes.com](mailto:cs@venuspipes.com)  
Website - [www.venuspipes.com](http://www.venuspipes.com)  
CIN- U74140GJ2015PLC082306

Scrip Code BSE : 543528  
NSE Symbol: VENUSPIPES

ISIN No: INE0JA001018

### Statutory Committees

Audit Committee		
Name of Director	Designation	Category
Komal Lokesh Khadaria	Chairperson	Non-Executive Independent Director
Pranay Ashok Surana	Member	Non-Executive Independent Director
Arun Axaykumar Kothari	Member	Managing Director

Stakeholder Relationship Committee		
Name of Director	Designation	Category
Pranay Ashok Surana	Chairperson	Non-Executive Independent Director
Shyam Agrawal	Member	Non-Executive Independent Director
Jayantiram Motiram Choudhary	Member	Non-Executive Director

Nomination and Remuneration Committee		
Name of Director	Designation	Category
Komal Lokesh Khadaria	Chairperson	Non-Executive Independent Director
Kailash Nath Bhandari	Member	Non-Executive Independent Director
Jayantiram Motiram Choudhary	Member	Non-Executive Director

Corporate Social Responsibility Committee		
Name of Director	Designation	Category
Shyam Agrawal	Chairperson	Non-Executive Independent Director
Megharam Sagramji Choudhary	Member	Whole Time Director
Dhruv Mahendrakumar Patel	Member	Whole Time Director

### **From the Chairman's Desk**

It gives me immense pleasure to present you our first annual report post listing of our Company on the Indian stock exchanges (BSE and NSE) on May 24, 2022. This has been a landmark period for us, with our Company debuting on the exchanges. I would first and foremost, thank all our investors for the invaluable trust you have shown in us. We assure you of our commitment and dedication towards value creation in our journey forward. Our IPO opened up a plethora of opportunities for us to enhance, adapt and grow in the market. Together these developments have perfectly modelled how Able, Stable and Sustainable we are – speaking volumes about our agility, resilience and preparedness for today and tomorrow. As we move ahead, our focus is on building an impressive responsible corporate entity that actively contributes to building a better world for our generations, today and tomorrow

We have had an excellent year on many fronts, and our robust performance was definitely one of the highlights of 2021-22 for us. If you ask me, what makes this performance even more significant is the backdrop against which it was achieved. Despite challenges with regard to the availability of raw material, supply chain and inflation in the macro environment, our revenue during the year grew by 25%.

The year 2021-22 witnessed the second wave of the COVID-19 pandemic and the subsequent lockdown. But despite the setback, the economic drivers gradually started improving, adding a cautious ray of hope to the economy's outlook. Indian economy has shown drastic shift, with this the GDP has rebounded to 8.7% in 2021-22. We are experiencing an increase in economic activities across sectors – geared for further improvement. The Company registered a consistent performance during the year, owing to increased demand and traction across all sectors. Revenues grew by 25% to Rs. 3869.52 million, up from Rs. 3093.31 million in 2020-21. EBITDA stood at Rs. 492.36 million in 2021-22, up from Rs. 347.76 million in the previous fiscal. In 2021-22, the EBITDA margin stood at 12.7%. Profit after Tax during the year grew by 34% to Rs. 316.68 million, with a margin of 8.18%. Furthermore, exports that accounted for around 10.5% of the topline in 2021-22.

The growth we have experienced so far has only been possible with our employee's hard work and efforts. Their continued support has been among our key growth drivers. At Venus, we regularly engage with our employees and provide them adequate training and learning opportunities to stay updated in the ever-changing macro environment. We prioritise our employees' health and safety, with our health and safety policies and keep them motivated through an inclusive and rewarding work environment. With our new and committed

leadership team, we have unlocked fresh talent in the Company, which portrays a bright future for the Company.

I take this opportunity to thank our stakeholders, my colleagues on the Board, our customers, and our regulators for their continued trust and support. Your trust in us has helped us remain Able, Stable and Sustainable while turning into a formidable organisation with an optimistic future. We have a bright and promising future, and we are committed to work our way through the current environment, driving progress with our core purpose of enabling a better world.

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Eighth Annual General Meeting of the members of Venus Pipes & Tubes Limited (Formerly Known as Venus Pipes & Tubes Private Limited) will be held on Wednesday, August 24, 2022 at 04.00 P. M. through Video Conference (VC) / Other Audio-Visual Means (OAVM) facility to transact the following business:

=====

### **ORDINARY BUSINESS:**

To consider, and if thought fit, to pass, the following resolution numbers 1 and 2, as an **ordinary resolution(s)**.

1. To receive, consider and adopt the Audited Financial Statements as at March 31, 2022, along with the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint Mr. Jayantiram Motiram Choudhary (DIN 02617118) who retires by rotation and being eligible, offers himself for re-appointment as a director.

### **SPECIAL BUSINESS:**

3. **To ratify the remuneration of the Cost Auditors for the financial year 2022-23.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. K V Melwani & Associates, Cost Accountants, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2022-23 at a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) plus reimbursement of out of pocket expenses and applicable taxes be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution.”

**BY ORDER OF THE BOARD OF DIRECTORS,  
For, Venus Pipes & Tubes Limited**

*Sd/-*

**Pavan Kumar Jain  
Company Secretary and Compliance Officer  
Membership No. A66752**

**Date : 29/07/2022**

**Place : Dhaneti**

**Registered Office:**

**Venus Pipes & Tubes Limited**

**(Formerly Known as Venus Pipes & Tubes Private Limited**

**Survey No. 233/2 and 234/1, PLOT NO. 231, WARD 12/B, Dhaneti**

**Kachchh - 370020 Gujarat**

**CIN : U74140GJ2015PLC082306**

**e-mail : [cs@venuspipes.com](mailto:cs@venuspipes.com)**

**Contact No. +91 2836 232 183/84**



## Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 (collectively referred to as "MCA Circulars") permitted for holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company shall be held through VC/OAVM. The deemed venue for the 8th AGM shall be the Registered Office of the Company.
2. In accordance with the Provisions of Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Explanatory Statement in respect of item No. 2 and 3 mentioned in the above Notice, is annexed hereto, which forms a part of this Notice.
3. The AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. M/s. KFin Technologies Limited (KFintech) (Formerly known as KFin Technologies Pvt. Ltd.) will be providing facility for voting through remote e-voting, for participation in the 8<sup>th</sup> AGM through VC/OAVM and e-voting during the AGM
5. The Company fixed Wednesday, 17<sup>th</sup> August, 2022 as the cut-off date for determining the eligibility of Members entitled to vote at the AGM. The remote e-voting shall remain open for days commencing from Saturday, 20<sup>th</sup> August, 2022 at 10.00 a.m. to Tuesday, 23<sup>rd</sup> August 2022 5.00 p.m., (both days inclusive).
6. Members may join the 8<sup>th</sup> AGM through VC/OAVM by following the procedure which shall be kept open for the Members from 03.45 p.m. i.e. 15 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM 15 minutes after the scheduled time to start the 8<sup>th</sup> AGM. The detailed instructions for participating in the 8<sup>th</sup> AGM through VC/OAVM are given as a separate attachment to this Notice.
7. Members may note that the VC/OAVM provided by KFintech, allows participation of at least 2000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination &

Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle

8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act
9. Brief profile of the Director proposed to be appointed/reappointed is given towards the end of this Notice pursuant to Listing Regulations and Secretarial Standard issued by Institute of Company Secretaries of India. None of the Directors is related to one another
10. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, KFintech, in case the shares are held by them in physical form.
11. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in a demat form with effect from April 1, 2019, except in case of a request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for the ease of portfolio management, members holding shares in the physical form are requested to consider converting their holding to a demat form. Members can contact the Company or our RTA for assistance.
12. Members who have multiple folios in identical names or joint names in the same order are requested to intimate the Registrar and Transfer Agents, KFintech about these folios to enable consolidation of all such shareholdings into one folio.
13. In case of joint holders, 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 at the AGM.
14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to [cs@venuspipes.com](mailto:cs@venuspipes.com)
15. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to

vote on the resolution proposed to be passed at AGM by electronic means. The detailed instructions for e-voting are given as a separate attachment to this Notice. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on close of business hours of August 17, 2022, i.e. the cut-off date, are entitled to vote on Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 10.00 A.M. on Saturday, August 20, 2022 and will end at 5.00 P.M. on Tuesday, August 23, 2022. Members who have cast their vote by remote e-voting prior to the 8<sup>th</sup> AGM may also participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. The Members joining the AGM through VC/OAVM, who have not cast their vote by remote e-voting shall be eligible to vote through e-voting system at the eAGM.

16. The Company has appointed M/s Piyush Prajapati & Associates, Company Secretaries, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 48 hours of conclusion of the AGM, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing, and the result of the same will be disclosed forthwith. The Company has appointed M/s. KFin Technologies Limited (Formerly known as KFin Technologies Pvt. Ltd.) as the Agency for the purpose of facilitating the electronic voting.
17. In compliance with the above referred MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.venuspipes.com](http://www.venuspipes.com), websites of the Stock Exchanges i.e. 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 and on the website of Company's Registrar and Transfer Agent, KFintech at <https://evoting.kfintech.com/>  
Investor can request for providing the physical copy of the Annual Report.
18. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [cs@venuspipes.com](mailto:cs@venuspipes.com) or to KFintech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
  - b) Members holding shares in dematerialised mode are requested to register/update their email
19. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

## **INSTRUCTIONS TO THE SHAREHOLDERS FOR E-VOTING, ATTENDING AGM THROUGH VIDEO CONFERENCING, REGISTERING AS SPEAKER ETC.**

This is to inform you that **8<sup>th</sup> Annual General Meeting ('AGM')** is scheduled to be held on **Wednesday, August 24, 2022 at 04:00 P.M.** through video conferencing ('VC') / other audio-visual means ('OAVM').

The Annual Report for FY 2021-22 along with Notice of the AGM is available and can be downloaded from the Company's website [www.venuspipes.com](http://www.venuspipes.com) under "Investors" section" and also at the website of KFin technologies Limited ('KFintech') the Registrar & Share Transfer Agents (RTA) of the Company [www.kfintech.com](http://www.kfintech.com).

Please note that in view of the continuing Covid-19 pandemic the Ministry of Corporate Affairs (MCA) has vide its circular dated April 8, 2020 read with circulars dated April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. Accordingly, in compliance with the applicable Circulars issued by MCA & SEBI and the relevant provisions of the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the AGM of the Company is being held through VC/OAVM.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014. As amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system (remote e-voting) provided by Kfintech and also digital voting during the AGM to those members who have not voted through remote e-voting.

The e-voting period commences on **Saturday, August 20, 2022 (10:00 a.m. IST) and ends on Tuesday, August 23, 2022 (5:00 p.m. IST).**

During this period, Members holding shares either in physical form or in dematerialised form as on Wednesday, August 17, 2022 i.e. cut-off date, may cast their votes electronically. The e-voting module shall be disabled by Kfintech for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.

The voting rights of Members shall be in proportion to the equity shares held by them in the paid-up equity share capital of the Company as on Wednesday, August 17, 2022 (cut-off date). Any person, who is a Member of the Company as on the cut-off date is eligible to cast vote electronically on all the resolutions set forth in the Notice of AGM. 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.

**INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, E-VOTING & ATTENDANCE AT AGM:**

1. e-AGM: Company has appointed KFinTech to provide VC / OAVM facility for the AGM and the attendant enablers for conducting of the e-AGM.
2. Pursuant to the provisions of the circulars of MCA on the VC/OVAM(e-AGM):
  - a. Members can attend the meeting through login credentials provided to them to connect to VC / OAVM. Physical attendance of the Members at the Meeting venue is not required.
  - b. Option of appointment of proxy to attend and cast vote on behalf of the member is not available.
  - c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. To start with 1000 members will be able to join on a FIFO basis to the e-AGM.
5. No restrictions on account of FIFO entry into e-AGM in respect of 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.
6. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. An investor can avail physical copy of the Annual Report and Notice of the AGM by writing a letter to the Company or Registrar or sending an email to [Einward.RIS@kfintech.com](mailto:Einward.RIS@kfintech.com) mentioning their Folio No./Client & DP ID.

### Instructions for the Members for attending the e-AGM through VC / OAVM:

1. Attending e-AGM: Member will be provided with a facility to attend the e-AGM through VC / OAVM platform being provided by KFintech. Members may access the same at <https://emeetings.kfintech.com> and click on the “video conference” and access the shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected.
2. 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.
3. Members are encouraged to Join the Meeting through Laptops with Google Chrome for better experience.
4. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the Meeting.
5. 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.
6. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into <https://emeetings.kfintech.com> and click on “Post your questions” may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered only, the shareholder continue to hold the shares as of cut-off date benpos.
7. Due to limitations of transmission and coordination during the Q&A session, the Chairman may dispense with the speaker registration during the e-AGM conference.
8. **Speaker Registration during e-AGM session:** In case of decision to allow the Q&A session in the meeting, members may log into <https://emeetings.kfintech.com> and click on “Speaker Registration, by mentioning the demat account number/folio number, city, email id, mobile number and submit.



Members who wish to be a Speaker or 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 [cs@venuspipes.com](mailto:cs@venuspipes.com) from Saturday, August 20, 2022 (10:00 a.m. IST) and ends on Tuesday, August 23, 2022 (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.

### **Remote Voting through electronic means**

In terms of the provisions of section 108 of the Act. read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called ‘the Rules’ for the purpose of this section of the Notice) and regulation 44 of the listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on Wednesday, 17<sup>th</sup> August, 2022 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFintech or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

### **The details of the process and manner for remote e-voting are given below:**

- i. Initial password is provided in the body of the email.
- ii. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./Dp ID Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your votes.
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$ etc.).it is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT i.e. Venus Pipes & Tubes Limited.
- viii. On the voting page the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click ‘FOR /’AGAINST’ as the case may be or partially in ‘FOR’

and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. All Members including Institutional Investors, are encouraged to attend and vote at the AGM. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote to the Scrutinizer through email at [cspiyushprajapati@gmail.com](mailto:cspiyushprajapati@gmail.com) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'VENUS\_EVENT No.'
- xii. Members can cast their vote online from Saturday, August 20, 2022 (10:00 a.m. IST) and ends on Tuesday, August 23, 2022 (5:00 p.m. IST). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.
- xiii. In case of any 'queries/grievances' you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the Download' section of <https://evoting.kfintech.com> or call KFintech on 1800-309-4001 (toll free).

As per the 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.

Individual Members (holding securities in demat mode) login through Depository



Login method for Individual members holding securities in demat mode is given below:

NSDL	CDSL
<p><b>1. User already registered for IDeAS facility:</b>  URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>  Click on the "Beneficial Owner" icon under 'IDeAS' section.  On the new page, enter User ID and Password.  Post successful authentication, click on "Access to e-Voting"  Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period</p>	<p><b>1. Existing user who have opted for Easi / Easiest</b>  URL:  <a href="http://www.cdslindia.com">www.cdslindia.com</a>  Click on New System  Myeasi  Login with user id and password.  Option will be made available to reach e-Voting page without any further authentication.  Click on e-Voting service provider name to cast your vote.</p>
<p><b>2. User not registered for IDeAS e-Services</b>  To register click on link :  <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS"  Proceed with completing the required fields.  After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.</p>	<p><b>2. User not registered for Easi/Easiest</b>  Option to register is available at  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>  Proceed with completing the required fields.  After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.</p>
<p><b>3. By visiting the e-Voting website of NSDL</b>  URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>  Click on the icon "Login" which is available under 'Shareholder/ Member' section.  Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.  Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.  Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	<p><b>3. By visiting the e-Voting website of CDSL</b>  URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>  Provide demat Account Number and PAN No.  System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.  After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.</p>

**Individual Members (holding securities in demat mode) login through their depository participants.**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in, you will be able to see the e-Voting option. Click on e-Voting option and you will be redirected to NSDL/ CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.	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 22-23058542-43.

**Login method for non-individual Members and Members holding shares in physical form are given below :**

Procedure and Instructions for remote e-voting are as under:

Initial password is provided in the body of the email.

Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.

Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with RTA for e-voting, you can use your existing User ID and password for casting your votes.

User ID: For Members holding shares in Demat Form:-

For NSDL: 8 character DP ID followed by 8 digits Client ID. For CDSL: 16 digits beneficiary ID. For CDSL: 16 digits beneficiary ID.

User ID: For members holding shares in Physical Form:

Event Number followed by Folio No. registered with the Company.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons

- xiv. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Wednesday, August 17, 2022. Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Wednesday, August 17, 2022, may obtain the User ID and

Password in the manner as mentioned below:

(a) If the mobile number of the Member is registered against Folio No./DP ID and Client ID, the Member may send SMS : MYEPWD <space> E-Voting Event Number + Folio No. or DP ID and Client ID to No. 9212993399 Example for NSDL: MYEPWD <SPACE> IN12345612345678 Example for CDSL: MYEPWD <SPACE> 1402345612345678 Example for Physical: MYEPWD <SPACE> XXXX1234567890

(b) If e-mail address or mobile number of the Member is registered against Folio No./DP ID and Client ID, then on the home page of [https:// evoting.kfintech.com](https://evoting.kfintech.com), Member may click “Forgot Password” and enter Folio No. or DP ID and Client ID and PAN to generate a new password.

(c) You may also send an e-mail request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

xv. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

#### **Instructions for members for e-Voting during the e-AGM session:**

1. The e-Voting “Thumb sign” on the left-hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the “instapoll” page.
2. Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.
3. Only those shareholders, who are present in the e-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so shall be eligible to vote through e-Voting system available during the e-AGM.

#### **ASSISTANCE FOR AGM RELATED MATTERS:**

Members who need assistance before or during the AGM, can connect KFintech Team contact Mr. Raghunath Veedha (Manager) at [email: raghu.veedha@kfintech.com](mailto:raghu.veedha@kfintech.com) Tele. No.040 67161754 / 9573070434 OR the Company’s officials Mr. Pavan Kumar Jain, Company Secretary at 2836 232 183/84 or may email query at [cs@venuspipes.com](mailto:cs@venuspipes.com).

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

The following explanatory statement relating to the accompanying notice set out all material facts:

#### ITEM NO. 2

Profile of the director being re-appointed at the ensuing AGM

Name of Director	Mr. Jayantiram Motiram Choudhary
DIN	02617118
Date of Appointment	17/02/2015
Expertise in specific functional areas	Steel Industry
Experience	10 years
Directorship held in other Listed Companies as on 31st March, 2022.	Accuracy Shipping Limited
Chairmanship / Membership of Committee held in other Listed Companies as on 31st March, 2022.	Accuracy Shipping Limited
Number of Equity Shares held in the Company as on 31st March, 2022.	1,178,915 (7.74%)
Relationship with other directors and Key Managerial Personnel	NA
Terms and Conditions of Appointment	Retriable by rotation, Director
List of Directorship held in other Companies as on 31.03.2022	Accuracy Shipping Limited

Your Directors recommended the Resolutions for approval of Shareholders as Ordinary Resolutions.

None of the Directors, Manager, Key Managerial Personnel & his Relatives are concerned or interested in the Resolution except Mr. Jayantiram Motiram Choudhary being related. The Director therefore, recommends the acceptance of the proposed Resolution in the best interest of the Company.

#### ITEM NO. 3

The Board of Directors at their meeting held on May 02, 2022, on recommendation of the Audit Committee, approved the appointment of M/s. K V Melwani & Associates, Cost Accountants, as Cost Auditors of the Company to conduct the audit of the cost records of the Company in respect of products manufactured by the Company falling under CETA code 7304 & 7306 i.e. Iron and Steel, for the financial year 2022-23 on a remuneration of Rs. 55,000/- (Rupees Fifty Five Thousand only) plus reimbursement of out of pocket expenses and applicable taxes. Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, approval of the

members is sought by way of an ordinary resolution as set out at item no. 3 of the notice ratifying the remuneration payable to the Cost Auditors for the financial year 2022-23.

The Board, based on the recommendation of the Audit Committee, unanimously, recommends the ordinary resolution as set out in item no. 3 of this notice.

Your directors recommended the Resolutions for approval of Shareholders as Ordinary Resolutions.

None of the Directors, Manager, Key Managerial Personnel & his Relatives are concerned or interested in the Resolution. The Director therefore, recommends the acceptance of the proposed Resolution in the best interest of the Company

**For and on behalf of,  
For, VENUS PIPES & TUBES LIMITED**

*Sd/-*

**Pavan Kumar Jain  
Company Secretary and Compliance Officer  
Membership No. A66752**

**Date : 29/07/2022**

**Place : Dhaneti**

## Board's Report

To,  
The Members,  
**Venus Pipes & Tubes Limited**  
(Formerly Known as Venus Pipes & Tubes Private Limited)

The Board of directors of your company are pleased to present the 8<sup>th</sup> Annual Report of the company for the financial year ending on 31<sup>st</sup> March, 2022.

### 1. Financial Results:

The standalone financial statements of the Company for the financial year ended March 31, 2022, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as noticed by the Ministry of Corporate Affairs and as amended from time to time.

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

(Amounts in Rupees Millions)

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Total Income	3 ,890.75	3120.31
Total Expense	3 ,461.97	2810.80
<b>Profit before Tax</b>	<b>428.78</b>	<b>309.51</b>
Add: Depreciation (Including Amortized Exp.)	14.25	9.65
<b>Cash Profit</b>	<b>443.03</b>	<b>319.16</b>
Less : Provision for Tax	109.01	79.64
Less : Deferred Tax Liability	3.09	-
Add : Deferred Tax Assets	-	6.46
<b>Profit After Tax</b>	<b>330.93</b>	<b>245.98</b>
Less : Depreciation	14.25	9.65
<b>Profit Transferred to Reserve &amp; Surplus</b>	<b>316.68</b>	<b>236.32</b>

**2. Results of the business operation and state of company's affairs:**

During the year under review, the company has achieved turnover of Rs. 3,890.75/- Mn and the company has earned net profit/(net loss) after tax during the year at Rs. 316.68/- Mn as against the net profit/loss of Rs. 236.32/- Mn in the previous year.

**3. Dividend:**

To plough back the profits into business activities, no dividend is recommended for the financial year 2021-22.

**4. Transfer of Unclaimed Dividend to Investor Education and Protection Fund:**

Since there was no unpaid / unclaimed dividend declared and paid last year, the provisions section 125(2) of the companies Act, 2013 do not apply.

**5. Transfer to Reserves in terms of section 134 (3) (J) of the Companies Act, 2013**

For the financial year ended 31st March, 2022, the Company has proposed to carry an amount of Rs 316.68/- to General Reserve Account.

**6. Impact on business owing to covid-19 pandemic:**

The management has assessed the impact of COVID-19 pandemic on the financial results, business operations, liquidity position, cash flow and has concluded that no material adjustments are required in the carrying amount of assets and liabilities as at March 31, 2022. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. The Company will continue to monitor any material changes to future economic conditions.

**7. Change in the nature of business, if any**

There were no changes in the nature of business of your Company during the year under review.

**8. Material Changes and commitment if any affecting the financial position of the company occurred between the ends of financial year to which this financial statement related on the date of the report.**

Material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these Financial Statements relate and on the date of this report are as follows:

**A. CONVERSION OF THE COMPANY**

During the year under review, your Company was converted from Private Limited Company to a Public Limited Company and requisite fresh incorporation certificate was issued by Registrar of Companies, Gujarat dated September 16, 2021. Consequent to the conversion of the Company, the name of the Company changed from Venus Pipes & Tubes Private Limited to Venus Pipes & Tubes Limited.

## B. INITIAL PUBLIC OFFER

The Company has appointed the book running lead manager, SMC Capitals Limited (the “BRLM”), and KFin Technologies Limited (as the Registrar to the Issue (the “Registrar”) for the proposed initial public offering (the “Issue”) of equity shares of face value of ₹10/- each (the “Equity Shares”) of the Company. The Company filed a red herring prospectus dated May 2, 2022 (the “RHP”) with the Registrar of Companies, Gujarat at Ahmedabad.

An Initial Public Offering of 5,074,100 Equity Shares of face value of ₹ 10/- each (“EQUITY SHARES”) for cash at a price of ₹ 326/- Per Equity Share (including a Share Premium of ₹ 316/- Per Equity Share aggregating to ₹ 1654.16 million was made. The Company’s equity shares were listed on BSE Ltd (the “Designated Stock Exchange”) and National Stock Exchange of India Limited with effect from May 24, 2022.

Initial and Annual Listing fees has been duly paid by the Company to the Exchange.

Further, during the financial year under report, no significant or material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

## 9. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

### A. Conservation of Energy, Technology Absorption

The particulars required under the provisions of section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

### B. Foreign Exchange Earnings and Outgo

<b>Earnings</b>	Rs. 248.34/-Mn
<b>Outgo</b>	Rs. 372.61/- Mn

## 10. Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the company under section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

## 11. Particulars of Contracts or Arrangements made with Related Parties

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

## 12. Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereafter, M/s **Maheshwari & Co**, Chartered Accountants (Firm Registration No: **105834W**), has been appointed as Statutory Auditors of the Company from the conclusion of the 6<sup>th</sup> Annual General Meeting (AGM) of the Company held on 31<sup>st</sup> of December, 2020 to till the conclusion of Annual General Meeting to be held for Financial Year 2024-25.



In pursuant to Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of statutory auditor is not required to be ratified at every annual general meeting.

**COMMENTS ON AUDITORS' REPORT OR EXPLANATION TO AUDITOR'S REMARKS:**

The Auditors' Report for the financial year ended on March 31, 2022 forms part of this Annual Report and the same does not contain any qualification, reservation or adverse remark.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

**13. Secretarial Auditor**

The Board has appointed M/s. Piyush Prajapati & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year ended March 31, 2022. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith marked as **Annexure: A** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**14. Internal Auditor:**

M/s Goyal Swati & Co Chartered Accountants, the Internal Auditors of the Company. The Audit Committee of the Board of Directors, in consultation with the Internal Auditors, formulated the scope, functioning, periodicity and methodology for conducting the internal audit.

**15. Disclosure about cost audit**

The Board of Directors has appointed M/s. K V Melwani & Associates, Cost Accountants as Cost Auditors (Firm Registration No. 10171) for conducting the audit of cost records made and maintained by the Company for the financial year 2022-23 pursuant to Section 148 of the Companies Act, 2013.

**16. Explanation or Comments on qualification, Reservations or Adverse Remarks or disclaimers made by the Auditors and the practicing company secretary in their reports**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report are not applicable to the company.

**17. Company's Policy Relating to directors appointment, payment of remuneration and discharge of their duties**

The provisions of section 178(1) relating to constitution of nomination and remuneration committee are not applicable to the company and hence the company has not devised any policy relating to appointment of director, payment of managerial remuneration, directors qualification, positive attributes, independence of directors and other related matters as provided under section 178(3) of the companies act 2013.

## 18. Particulars of Employees:

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as '**Annexure B**' to the Boards' Report.

## 19. Annual Return:

The copy of Annual Return as required under section 134(3) of the Companies Act, 2013, is available on Company's website i.e. [www.venuspipes.com](http://www.venuspipes.com) for the kind perusal and information.

## 20. Number of Board Meeting Conducted during the year under review

The Directors of your Company met at regular intervals with the gap between two meetings not exceeding 120 days to review Company's policies and strategies apart from the Board matters. During the year under review, the Board of Directors met 22 times on April 01, 2021, June 01, 2021, July 24, 2021, August 30, 2021, September 08, 2021, September 10, 2021, September 14, 2021, October 01, 2021, October 18, 2021, October 21, 2021, November 22, 2021, December 15, 2021, December 24, 2021, December 28, 2021, January 03, 2022, January 18, 2022, January 19, 2022, February 15, 2022, February 22, 2022, March 21, 2022, March 24, 2022 and March 31, 2022

Name of Director	No. of Board meeting	
	No. Meetings	Attended
Arun Axaykumar Kothari	15	15
Megharam Sagramji Choudhary	22	22
Dhruv Mahendrakumar Patel	22	22
Jayantiram Motiram Choudhary	22	22
Shyam Agrawal	13	13
Kailash Nath Bhandari	13	13
Pranay Ashok Surana	13	13
Komal Lokesh Khadaria	13	13

## 21. Directors Responsibility Statement

In accordance with the provisions of section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:-

- In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the period.
- The directors had 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;
- The director had prepared the annual accounts on a going concern basis; and

- (e) Internal financial control means the policies and procedures adopted by the company 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.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 22. Disclosure Of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

## 23. Statement Concerning Development and Implementation of Risk Management Policy of the Company

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The process comprising of review of the risks associated with the business of the company, its root causes and the efficacy of the measures taken to mitigate the same. Risk management at the Company is an integral part of the business model, focusing on making the business model emerge stronger and ensuring that profitable business growth becomes sustainable.

## 24. Establishment of Vigil Mechanism / Whistle Blower Policy for Directors and Employees

Your Company promotes ethical behaviour in all its business activities and has put in place a mechanism wherein the employees are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Board. The Whistleblower Policy has been duly communicated within your Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel have been denied access to the Audit Committee in this regard.

The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's <https://www.venuspipes.com>

## 25. Details of Policy Developed And Implemented by the company on its Corporate Social Responsibility Initiatives

The Corporate Social Responsibility Committee (CSR Committee) had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, and the same was duly approved by the Board. The CSR Policy may be accessed on the website of the Company at <https://www.venuspipes.com>

During the year under, the Company was in the process of identification of the projects as CSR Initiatives. However, CSR amount required to be spent as per section 135 of the companies Act, 2013 read with schedule VII thereof by the company during the year is Rs. 2.75 million However during the year Company has spent 2.80 million, the details of CSR Initiatives set out in the **Annexure-C** of this report.

## **26. Disclosure under Sexual Harassment Of Women At Work Place (Prevention, Prohibition And Redressal) Act 2013:**

Your Company has in place a Prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Your Company did not receive any sexual harassment complaints during the year ended on March 31, 2022. The policy adopted by the Company for Prevention of Sexual Harassment is available on its website at <https://www.venuspipes.com>

## **27. Subsidiaries, Joint Ventures and Associate Companies**

The company has no Associate Company, Subsidiaries and Joint Ventures.

## **28. Deposits**

Your Company has not accepted any deposits from the public falling within the purview of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposit) Rules, 2014; therefore there was no principal or interest outstanding as on the date of the balance sheet.

## **29. Management Discussion and Analysis Report**

A detailed analysis of the Company's performance is made in the Management Discussion and Analysis Report, which forms part of this Annual Report.

## **30. Board of Directors and Key Managerial Personnel**

### **Independent Directors**

The Company have appointed Mr. Kailash Nath Bhandari (DIN 00026078), Mr. Shyam Agrawal (DIN 03516372), Mr. Pranay Ashok Surana (DIN 05192392) and Mrs. Komal Lokesh Khadaria (DIN 07805112) as Independent Directors with effect from October 19, 2021 for a period of five consecutive years.

Independent Directors have submitted the declaration of independence, as required pursuant to the provisions of Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided under Section 149(6).

### **Key Managerial Personnel**

#### **Managing Director**

Designation of Mr. Arun Axaykumar Kothari (DIN 02344536) changed from Director to Managing Director with effect from September 14, 2021. He has been appointed for a period of five years and shall be liable to retire by rotation.

### Whole Time Director

Designation of Mr. Megharam Sagramji Choudhary (DIN 02617107) and Mr. Dhruv Mahendrakumar Patel (DIN 07098080) changed from Director to Whole Time Director with effect from September 14, 2021. They have been appointed for a period of five years and shall be liable to retire by rotation.

### Chief Financial Officer

Mr. Arun Axaykumar Kothari (DIN 02344536) was appointed as Chief Financial Officer of the Company by the Board of Directors with effect from September 14, 2021 pursuant to the provisions of Companies Act, 2013.

### Company Secretary and Compliance Officer

Mr. Pavan Kumar Jain was appointed as Company Secretary of the Company by the Board of the Directors with effect from September 14, 2021.

The Directors and Key Managerial Personnel are summarized as below:

Sr. No.	Din/Pan	Name of Director	Designation
1	00926613	Arun Axaykumar Kothari	Managing Director
2	02617107	Megharam Sagramji Choudhary	Whole Time Director
3	07098080	Dhruv Mahendrakumar Patel	Whole Time Director
4	02617118	Jayantiram Motiram Choudhary	Chairman and Non-Executive Director
5	03516372	Shyam Agrawal	Independent Director
6	00026078	Kailash Nath Bhandari	Independent Director
7	05192392	Pranay Ashok Surana	Independent Director
8	07805112	Komal Lokesh Khadaria	Independent Director
9	AKRPJ6657R	Pavan Kumar Jain	Company Secretary
10	AFAPK5287N	Arun Axaykumar Kothari	Chief Financial Officer

### 31. Declaration of Independent Directors

The Independent Directors of the Company have submitted the declaration of independence, as required pursuant to the provisions of Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided under Section 149(6).

### 32. Formal Annual Evaluation Process by Board

During the financial year under review and in accordance to the provisions of Section 134(3)(p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014, The Board based on evaluation criteria recommended by the 'Nomination and Remuneration Committee' and 'Code for Independent Directors' evaluated the performance of Board members. The Board after due discussion and taking into consideration of the various aspects such as Knowledge and skills, Competency, Financial literacy, Attendance at the Meeting, Responsibility towards the Board, Qualifications, Experience, Fulfilment of functions assigned to him, Ability to function as a team, Initiative Availability & Attendance, Commitment, Contribution; expressed their satisfaction with the evaluation process and performance of the Board.

### 33. Corporate Governance

Your Company has taken adequate steps to adhere to all the stipulations laid down in the Listing Regulations. A report on Corporate Governance is disclosed separately in the Annual Report.

### 34. Disclosure.

#### A. Composition of Corporate Social Responsibility Committee (CSR Committee)

The Board of Directors in its meeting held on October 21, 2021 had Re-constituted Corporate Social Responsibility Committee of the Company as under;

Name	Position in the committee	Designation
Shyam Agrawal	Chairperson	Non-Executive Independent Director
Megharam Sagramji Choudhary	Member	Whole Time Director
Dhruv Mahendrakumar Patel	Member	Whole Time Director

The policy of Corporate Social Responsibility Committee has been placed on the website of the Company at <https://www.venuspipes.com>

#### B. Composition of Composition of Audit Committee

The Board of Directors in its meeting held on October 21, 2021 had constituted Audit Committee of the Company as under;

Name	Position in the committee	Designation
Komal Lokesh Khadaria	Chairperson	Non-Executive Independent Director
Pranay Ashok Surana	Member	Non-Executive Independent Director
Arun Axaykumar Kothari	Member	Managing Director

### C. Composition of Nomination and Remuneration Committee

The Board of Directors in its meeting held on October 21, 2021 had constituted Nomination and Remuneration Committee of the Company as under;

Name	Position in the committee	Designation
Komal Lokesh Khadaria	Chairperson	Non-Executive Independent Director
Kailash Nath Bhandari	Member	Non-Executive Independent Director
Jayantiram Motiram Choudhary	Member	Non-Executive non-Independent Director

The policy of Nomination and Remuneration Committee has been placed on the website of the Company at <https://www.venuspipes.com>

### D. Composition of Stakeholders Relationship Committee

The Board of Directors in its meeting held on October 21, 2021 had constituted Stakeholders Relationship Committee of the Company as under;

Name	Position in the committee	Designation
Pranay Ashok Surana	Chairperson	Non-Executive Independent Director
Shyam Agrawal	Member	Non-Executive Independent Director
Jayantiram Motiram Choudhary	Member	Non-Executive non-Independent Director

### 35. Significant and material passed by the regulators or courts or tribunals impacting the going concern status and companies operation in future

No significant or material order was passed by any regulators or courts or tribunals which impact the going concern status and company's operation in future.

### 36. Compliance with secretarial standards on board and general meetings

Your Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

### 37. Share Capital

The Authorized share capital of the Company as on 31st March, 2022 is Rs. 25,00,00,000/- divided into 2,50,00,000 equity shares of Rs.10/- each.

The Paid-up Share Capital of the Company as on 31st March, 2022 was Rs. 15,22,20,100/- divided into 1,52,22,010 Equity Shares of Rs.10/- each fully paid up.

The Company was made Private Placement of 21,22,960 Equity Shares of Rs.10/- each fully paid up as on October 21, 2021.



**a. Buy Back of Securities**

The company has not brought back any its securities during the year under review.

**b. Sweat Equity**

The company has not issued any Sweat Equity Shares during the year under review.

**c. Bonus Shares**

The Company were issued Bonus shares of 43,66,350 Equity Shares of Rs.10/- each fully paid up as on September 10, 2021 during the year under review.

**d. Employee Stock Option Plan**

The company has not provided any Stock Option Scheme to the employees.

### **38. Environment, Health and Safety**

The Company considers it is essential to protect the Earth and limited natural resources as well as the health and well being of every person. The Company strives to achieve safety, health and environmental excellence in all aspects of its business activities. Acting responsibly with a focus on safety, health and the environment is a part of the Companies DNA.

### **39. Human Resources and Industrial Relations**

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth. During the year, the Company maintained a record of peaceful employee relations. Your directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

### **40. Acknowledgement**

The Board would like to place on record, its appreciation to all employees at all level for their dedicated efforts.

Your director also wish to place on record their appreciation and acknowledge with gratitude for support and co-operation extended by various government authorities, clients and bankers from time to time to look forward to their continue support.

**For and On Behalf of the Board**

*Sd/-*

**Jayantiram Motiram Choudhary**  
**Chairman**  
**DIN - 02617118**

**Place: Gandhidham**  
**Date: 29/07/2022**



## To Board's Report

### Management Discussion and Analysis Report

#### Stainless Steel Industry

Stainless Steel is a value-added product with high corrosion resistant properties. Higher levels of Chromium and additions of other alloy elements (Nickel, Molybdenum, etc.) enhance the corrosion resistance. Compared to traditional steel, stainless-steel has higher resistance to corrosion, superior aesthetic finish and higher life span. These features have helped in increasing the popularity of stainless-steel across the world. High recyclability, resistance to corrosion and low maintenance properties has made stainless steel a preferred metal for application in diverse sectors

The Indian stainless-steel sector, the second largest producer (till 2020) and consumer in the world, has a total manufacturing capacity of more than 5 Mn tons of stainless steel annually. Since 2011, stainless-steel production has increased at a CAGR of 7.8% per annum from ~2.16 Mn Tonnes in 2011 to 3.93 Mn Tonnes in 2019. Barring 2020 for pandemic led decline, India's stainless-steel (SS) production has increased steadily between 2014-21. In 2020, India stainless steel production observed -19.4% over 2019 owing to Covid-19 pandemic induced depressed market condition. However, the industry rebounded well in CY 2021 where India's annual domestic stainless-steel production was estimated to have reached 3.5 Mn tonnes, registering 10.4% y-o-y growth.

Despite being one of the largest producers as well as consumer of stainless-steel, the per capita stainless-steel consumption in India remains low. India's per capital stainless steel consumption has increased from 1.2 Kg in 2010 to 2.5 Kg in 2019, however its consumption is comparatively lower compared to world average of 6 Kg per capita, This low consumption pattern is an indication of the inherent opportunities existing in the sector.

Globally, 10% of the steel produced is estimated to be converted to tubes. Higher demand for oil & gas and chemical & petrochemical industry – two of the largest consumers of steel pipes and tubes – is driving the demand across the world.

#### **Domestic Industry Size**

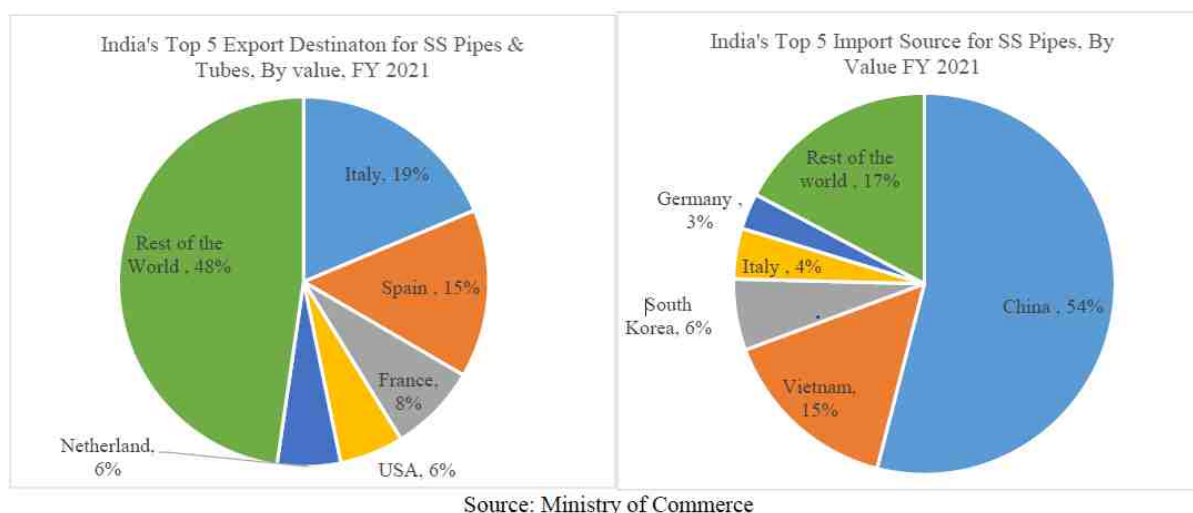
Due to diversified application in several industries, steel pipes and tubes industry is one of the important segments of the Indian Steel sector. However, it accounts for just ~8% share in the overall steel consumption basket which translate into consumption ranging from nearly 6.7Mn tonnes to 8 Mn in the past five years while few industry experts also suggest actual usage of steel pipes & tubes in India at about 12-13 Mn tonnes. In value terms, the size of the Indian steel pipes & tube industry

is estimated at nearly INR 550-600 Bn. With nearly 10 Kg per capita consumption (PCC), steel pipes & tubes consumption in India is less than half of the global average (21-22Kg PCC ) and about one fifth of the Chinese (55-60Kg PCC) which indicates huge opportunity for growing penetration of steel pipes & tubes in the Indian market.



## Major Trading Partners

China is the largest exporter of SS pipes and tubes to India and accounted for 54% of total imports in FY 2021. The cost advantage enjoyed by Chinese manufacturers, who operate a lower cost compared to Indian manufacturers, has helped in this high penetration of Chinese imports in Indian SS steel pipes & tube imports. However, with the cancellation of the export rebates<sup>3</sup> on several steel products including ERW and seamless steel pipes as announced by the Chinese government on April 28th, 2021 w.e.f. 1st May 2021 is expected to benefit domestic pipes and tube manufacturer. The cancellation of export tax rebates would encourage Chinese steel manufacturers to turn to the domestic market and would reduce domestic production of various steel products for export. Vietnam and South Korea were other major exports of SS pipes & tubes to India and accounting for 15% and 6% of total imports in FY 2021.



### Regulatory Landscape:

Iron and steel industry play a strategic position in the overall infrastructure industry. Therefore, the government has been taking sustained initiative on yearly basis towards the development of the industry. The Government has de-licensed the manufacturing of steel pipes and tubes, and caps on foreign investment has been removed. This move, as part of the larger industrial sector reforms which was implemented in 1991 and subsequent years, have helped in improving the technology level in the industry, apart from attracting capital. Further trade restrictions (primarily international trade) was also lifted as India became a signatory to global trade pacts. Currently, 100% FDI under automatic route is allowed in the steel sector.

### Industry Growth Drivers

- Significant demand for Pipes & Tubes specifically from industry like chemical, pharma, engineering etc.
- In value terms, the size of Chemical industry is currently estimated at USD 178 Bn which is slated to grow to USD 300 Bn by 2025, growing annually by 9% per annum
- During FY 2021-30, the annual turnover in Indian Pharmaceutical Industry is expected to grow by a CAGR of 10%, to reach INR 7,840 Billion

**Sector specific schemes by Government as below shall act as an aid in generating demand for steel pipes & tubes in India**

- **Chemicals**
  - Chemicals Promotion and Development Scheme (CPDS):
  - Petroleum, Chemicals, and Petrochemical Investment Regions (PCPIR)

- **Oil & Gas**
  - Hydrocarbons Exploration Licensing Policy (HELP)
- **Pharmaceutical**
  - Scheme for Development of Pharmaceutical Industry
  - Schemes to improve bulk drug production in India

### **Policies Driving Growth**

#### **Major Policies in Steel & Steel Pipes & Tubes Sector**

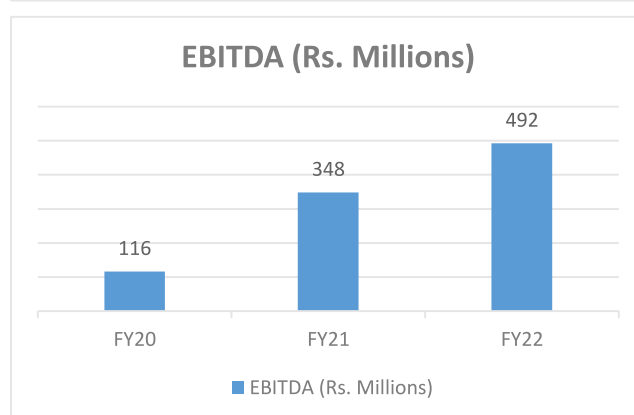
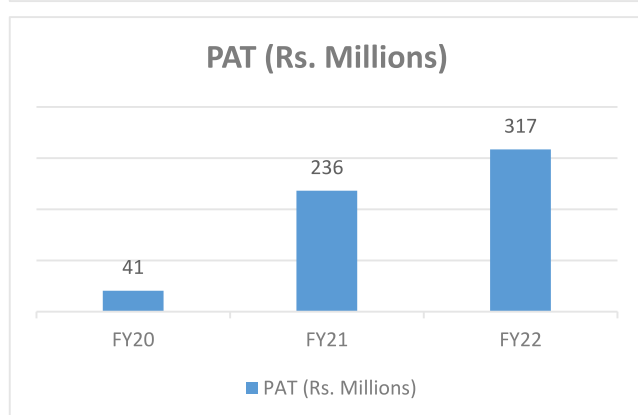
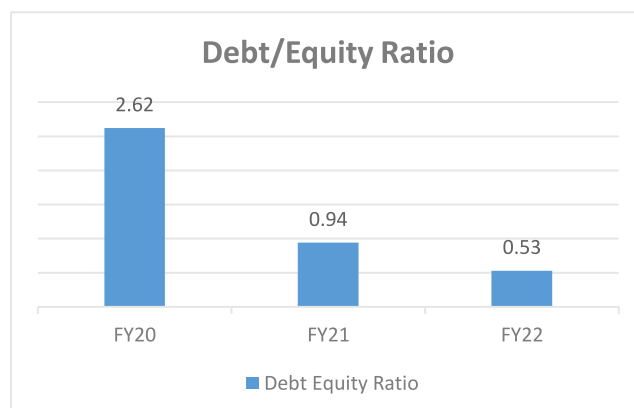
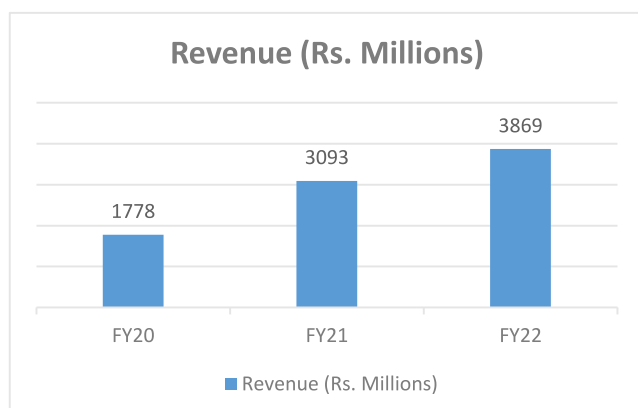
- Strengthening the raw material supply chain
- Stainless steel pipes notified under Steel Quality Control Order
- Anti-Dumping Duty
- Domestically manufactured iron and steel products policy (DMISP)
- Duty Reduction Structure

#### **Demand Generation from Government Initiatives**

- Production Linked Incentives (PLI) Scheme The government has announced INR 1.97 Tn to be spent in the next 5 years for PLI schemes in 13 Sectors
- Atmanirbhar Bharat Packages
- National Manufacturing Policy
- National Infrastructure Pipeline (NIP)

### Financial Highlights

FINANCIAL HIGHLIGHTS (Rs. Million)		
Particulars	12mth FY22	12mth FY21
<b>Revenue from Operations</b>	<b>3,869.52</b>	<b>3,093.31</b>
Cost of Goods sold	3,150.45	2,614.79
Employee Expenses	62.46	32
Other expenses	164.25	98.76
<b>Total Expenses</b>	<b>3,377.16</b>	<b>2,745.55</b>
<b>EBIDTA</b>	<b>492.37</b>	<b>347.76</b>
<b>EBIDTA Margin %</b>	<b>12.72%</b>	<b>11.24%</b>
Other Income	21.23	27
<b>PBDIT</b>	<b>513.60</b>	<b>374.76</b>
Depreciation	14.25	9.65
EBIT	499.35	365.11
Interest	70.57	55.61
PBT	428.78	309.50
Tax/deferred tax	112.1	73.18
<b>PAT</b>	<b>316.68</b>	<b>236.32</b>
<b>PAT Margin %</b>	<b>8.18%</b>	<b>7.64%</b>
<b>EPS</b> <b>(Rs. Fully Diluted)</b>	22.55	27.06



We are one of the growing stainless steel pipes and tubes manufacturer and exporter in India having over six years of experience in manufacturing of stainless steel tubular products in two broad categories: (i) seamless tubes/pipes; and (ii) welded tubes/pipes, under which we are currently manufacturing five product lines, namely, (i) stainless steel high precision & heat exchanger tubes; (ii) stainless steel hydraulic & instrumentation tubes; (iii) stainless steel seamless pipes; (iv) stainless steel welded pipes; and (v) stainless steel box pipes (“**Products**”). Under our brand name “*Venus*”, we supply our Products for applications in diverse sectors including (i) chemicals, (ii) engineering; (iii) fertilizers; (iv) pharmaceuticals, (v) power, (vi) food processing; (vii) paper; and (viii) oil and gas.

We have one manufacturing plant which is strategically located at Bhuj-Bhachau highway, Dhaneti (Kutch, Gujarat) (“**Manufacturing Facility**”) in close proximity, around 55 kilometers and 75 from the ports of Kandla and Mundra, respectively, that helps us in reducing our logistic costs on procurement of raw materials and imports and export of our Products. Our Manufacturing Facility has separate seamless and welded divisions with latest product-specific equipment and machineries including tube mills, pilger mills, draw benches, swaging machines,

pipe straightening machines, TIG/MIG welding systems, plasma welding systems, etc. We sell our Products both in the domestic as well as the international markets. In the domestic market,

The demand for our Products in our ordinary course of business is generated from three broad categories i.e New Project, replacement & Repair and maintenance .

Revenue of the company had increased from Rs 3093.31 mn in FY 21 to Rs 3869.52 mn in FY22 which was due to establishment of Venus brand in the market and which resulted in increased order flow. The increased order flow was also a result of increase in demand of products of industries connected with the business of the Company leading to consequential increase in the demand of the products of the Company.

The EBITDA of the company had increased from Rs 347.67 mn in FY 21 to Rs 492.37 in FY 22 & the profit after tax had increased from 236.32 mn in FY 21 to Rs 316.68 mn in FY22 on account of increased order flow, new direct customer acquisitions and better realizations.

**Initial Public Offer (IPO) :** The Company has issued new 5,074,100 Equity Shares of Rs. 10 each @ Rs. 326 per share (Rs. 316 per share being the Share Premium) as fresh Issue of Shares being part of the Initial Public Offer (IPO). The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on May 24, 2022.

### **Internal Control System and their adequacy**

Our Company has a proper adequate Internal Control system and code of conduct to ensure that all the assets are safeguarded and protected against the loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

### **Development in Human Resources**

Our Company has laid emphasis on improving the skills of its human resources toward achieving better performance & improving quality. Our Company has always emphasized on the principle that Human Resources are the best assets for Organization. Thus, we keep investing in them through modern trainings and seminars and various performance appraisal programs.

**For & on behalf of the Board of Directors**

Sd/-

Date : July 29, 2022  
Place: Dhaneti

**Jayantiram Motiram Choudhary**  
DIN : 02617118  
Chairman



## **Annexure to Board's Report**

### **Corporate Governance Report**

#### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Venus Pipes & Tubes Limited ("the Company") believes in conducting its affairs in fair, transparent and professional manner and maintaining good ethical standards in its dealings with all its constituents.

The Company is committed to follow good Corporate Governance practices, which include having professional Directors on the Board, adopting pragmatic policies, effective systems and procedures and subjecting business processes to audits and checks, compliant with the required standards. The policies and actions of the Company are in line with the applicable guidelines on Corporate Governance with an endeavour to enhance value for shareholders.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") as amended till date, is given below:

#### **2. BOARD OF DIRECTORS**

##### **a) Composition and size of the Board**

The Board of Directors is the apex body constituted by the shareholders for overseeing 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 shareholders are being served.

The Board of Directors of the Company currently comprises of seven Directors who are eminent individuals with excellent qualifications, professional expertise and extensive experience and they have made outstanding contributions to the industry. The Board has an optimum combination of independent, woman director, executive as well as non-executive directors that are in conformity with the provisions of Regulation 17 of the Listing Regulations.

The Board of Directors has 50% Non- executive Directors throughout the year under review. As on date of this Report, the Board of Directors comprises of 8 Directors, including 4 Independent Directors. The Chairman of the Company is a Non -Executive Chairman.

None of the Directors on the Board is a member of more than 10 Committees or a Chairman of more than 5 Committees as specified in Regulation 26 (1) of the Listing Regulations, across all the Indian Listed Entities in which he / she is a Director. The Company has appointed a Woman Director pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014. The necessary

disclosure regarding the committee position as has been made by the directors are given herein below:

Composition of the Board and Directorship held as on report date:

Sr. No	Name of the Director	Category	Date of Appointment	Number of other Directorships held in other public companies	Number of memberships in Audit/ Stakeholder Committee(s)		No and % of Equity Shares held in the Company (%)
					As Chairperson	As Member	
1	Megharam Sagramji Choudhary	Whole-Time Director	17/02/2015	-	-	-	3497743-22.98%
2	Jayantiram Motiram Choudhary	Chairman and Non-Executive Director	17/02/2015	1	-	2	1178915-7.74%
3	Dhruv Mahendrakumar Patel	Whole-Time Director	16/06/2015	-	-	-	2580810-16.95%
4	Arun Axaykumar Kothari	Managing Director	14/09/2021	-	-	1	1212291-7.96%
5	Kailash Nath Bhandari	Independent Director	19/10/2021	9	3	7	-
6	Pranay Ashok Surana	Independent Director	19/10/2021	-	1	1	-
7	Komal Lokesh Khadaria	Independent Director	19/10/2021	-	1	1	-
8	Shyam Agrawal	Independent Director	19/10/2021	2	-	2	-

**Notes:-** The Directorships held by Directors as mentioned above do not include Alternate Directorships and Directorships of foreign companies and deemed public companies, Companies under Section 8 of the Act, and private limited companies.

#### b) Board Meeting Procedure

The Board periodically reviews the items required to be placed before it as per Part A of Schedule II (Regulation 17 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the LODR / Listing Regulations) and in particular, reviews and approves quarterly / half-yearly unaudited financial statements and the audited financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure.

It monitors overall operating performance and reviews such other items that require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations.

The agenda papers, containing detailed notes on various agenda items and other information, which would enable the Board to discharge its responsibility effectively, are circulated in advance to the directors. The agenda for the Board Meeting covers items set out as guidelines in Regulation 17 of the Listing Regulations; to the extent, they are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

**c) Number of Board meetings and the attendance of Directors during the Financial Year 2021-22.**

The Board of Directors meets at least four times in a year and more often, if considered necessary, with not more than 120 days' gap between any two meetings, to review the Company's performance and financial results. During the financial year 2021-22, 22 Board Meetings were held April 01, 2021, June 01, 2021, July 24, 2021, August 30, 2021, September 08, 2021, September 10, 2021, September 14, 2021, October 01, 2021, October 18, 2021, October 21, 2021, November 22, 2021, December 15, 2021, December 24, 2021, December 28, 2021, January 03, 2022, January 18, 2022, January 19, 2022, February 15, 2022, February 22, 2022, March 21, 2022, March 24, 2022 and March 31, 2022. The last Annual General Meeting (7<sup>th</sup> AGM) was held on September 10, 2021 Attendance record of each of the Directors at the Board Meetings during the Financial Year 2021-22 and at the last Annual General Meeting are given below

Name of Director	No. of Board meeting		Whether present at AGM held on September 10, 2021
	Board Meetings entitled to attend	Attended	
Arun Axaykumar Kothari	15	15	Yes
Megharam Sagramji Choudhary	22	22	Yes
Dhruv Mahendrakumar Patel	22	22	Yes
Jayantiram Motiram Choudhary	22	22	Yes
Shyam Agrawal	13	13	No
Kailash Nath Bhandari	13	13	No
Pranay Ashok Surana	13	13	No
Komal Lokesh Khadaria	13	13	No

#### **d) Profile of Directors seeking Re-appointment**

- Mr. Jayantiram Motiram Choudhary retires at the ensuing AGM and being eligible offers himself for Re-appointment.
- The resolution for Re-appointment of Director along with his profile as required under Regulation 36(3) of the Listing Regulations has been appropriately included in the Notice of AGM forming part of this Annual Report.

#### **e) Familiarization Programme of Independent Directors and Meeting of Independent Directors:**

The Company has familiarised the Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters by way of providing updates at the Meetings of Board and Committee and such other programmes. The details of such programmes are put up on the website of the Company at the link:

<https://www.venuspipes.com/investors/policies/>

In accordance with the provisions of Regulation 25 of the Listing Regulations, during the year under review, Independent Directors met on March 31, 2022, inter alia, to

- (a) review the performance of Non-Independent Directors and the Board as a whole;
- (b) review the performance of the Chairman of the company, taking into account the views of Executive Directors and Non- Executive Directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors attended the said Meeting. The Board of Directors of your Company confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

### **3. AUDIT COMMITTEE**

The Company has constituted the Audit Committee vide resolution in the Board of Directors meeting dated October 21, 2021 in compliance with section 177 of the Companies Act and the Listing Regulations, the Composition of the Committee and Meetings attended by each member are as under:

Name	Position	Category	Meetings Held	Meetings Attended
Komal Lokesh Khadaria	Chairperson	Non-Executive Independent Director	3	3
Pranay Ashok Surana	Member	Non-Executive Independent Director	3	3
Arun Axaykumar Kothari	Member	Managing Director	3	3

### ***Number of Audit Committee meetings in Fiscal 2021-22***

***Three (3) meeting held on November 22, 2021, December 24, 2021 and March 21, 2022***

### ***Terms of reference***

The terms of reference have been adopted vide resolution in the Board of Directors meeting dated October 21, 2021 and have been reproduced below.

The terms of reference of the Audit Committee shall include the following:

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions; and
  - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval; reviewing, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

6. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. approval or any subsequent modification of transactions of the Company with related parties;
8. scrutiny of inter-corporate loans and investments;
9. valuation of undertakings or assets of the Company, wherever it is necessary;
10. evaluation of internal financial controls and risk management systems;
11. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. reviewing 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;
13. discussion with internal auditors of any significant findings and follow up there on;
14. reviewing 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;
15. discussion 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;
16. 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;
17. to review the functioning of the whistle blower mechanism;
18. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
19. Carrying out any other function as is mentioned in the terms of reference of the audit committee; and
20. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); and
  - (b) annual statement of funds utilized for purposes other than those stated in the offer

document/prospectus/notice in terms of Regulation 32(7).

We further confirm the following:

- (i) the Audit Committee has at least three directors as members, two-thirds of which members are independent directors;
- (ii) all members of Audit Committee are financially literate and at least one member has accounting or related financial management expertise;
- (iii) the chairman of the Audit Committee is an independent director; and
- (iv) the company secretary of the Company is the secretary to the Audit Committee.

#### **4. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)**

The Company has constituted Stakeholders' Relationship Committee vide resolution in the Board of Directors meeting dated October 21, 2021 in compliance with section 178 of the Companies Act and the Listing Regulations., the Stakeholders' Relationship Committee composition and Meetings attended by each member are as under:

<b>Name</b>	<b>Position</b>	<b>Category</b>	<b>Meetings Held</b>	<b>Meetings Attended</b>
Pranay Ashok Surana	Chairperson	Non-Executive Independent Director	1	1
Shyam Agrawal	Member	Non-Executive Independent Director	1	1
Jayantiram Motiram Choudhary	Member	Non-Executive non-Independent Director	1	1

#### ***Number of Stakeholders' Relationship Committee meetings in Fiscal 2021-22:***

***(One) December 24, 2021***

#### ***Terms of reference***

The terms of reference have been adopted vide resolution in the Board of Directors meeting dated October 21, 2021.

The terms of reference of the Stakeholders' Relationship Committee shall include the following:

1. Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;



3. Review of measures taken for effective exercise of voting rights by shareholders;
4. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**The details of complaints received, cleared and pending during the financial year 2021-22 are given as under:**

1.	No. of complaints received from SEBI (SCORES)	Nil
2.	No. of complaints received from NSE	Nil
3.	No. of complaints resolved	Nil
4.	No. of complaints not solved to the satisfaction of the investors as at 31st March, 2022.	Nil
5.	Complaints pending as at 31st March, 2022.	Nil

## 5. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee vide resolution in the Board of Directors meeting dated October 21, 2021 in compliance with section 178 of the Companies Act and the Listing Regulations. As on the date of this certificate, the Nomination and Remuneration Committee consists of the following directors:

Name	Position	Category	Meetings Held	Meetings Attended
Komal Lokesh Khadaria	Chairperson	Non-Executive Independent Director	1	1
Kailash Nath Bhandari	Member	Non-Executive Independent Director	1	1
Jayantiram Motiram Choudhary	Member	Non-Executive non-Independent Director	1	1

### ***Number of Nomination and Remuneration Committee meetings in Fiscal 2021-22:***

***One (1) meeting held on November 22, 2021***

### ***Terms of reference***



The terms of reference have been revised vide resolution in the Board of Directors meeting dated October 21, 2021.

The terms of reference of the Nomination and Remuneration Committee shall include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees:
2. 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 the Company and its goals;
3. Formulating criteria for evaluation of performance of independent directors and the Board of Directors;
4. Devising a policy on diversity of Board of Directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
6. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommending to the board, all remuneration, in whatever form, payable to senior management;
8. Administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;
9. Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
  - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;
10. Carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;
11. Performing such other functions as may be necessary or appropriate for the performance of its duties; and

12. Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, including the following:

- Formulating detailed terms and conditions of (the “Plan”), which includes the provision as specified by the Board in this regard; and
- Administration and superintendence of the Plan.

We further confirm the following:

- (i) the Nomination Committee has at least three directors as members, all of whom are non-executive directors and at least one-half of which members are independent directors; and
- (ii) the chairman of the Nomination Committee is an independent director.

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has reconstituted Corporate Social Responsibility Committee vide resolution in the Board of Directors meeting dated October 21, 2021 in compliance with section 135 of the Companies Act. As on the date of this certificate, the Composition of the Committee and Meetings attended by each member are as under:

Name	Position	Category	Meetings Held	Meetings Attended
Shyam Agrawal	Chairperson	Non-Executive Independent Director	1	1
Megharam Sagramji Choudhary	Member	Whole Time Director	1	1
Dhruv Mahendrakumar Patel	Member	Whole Time Director	1	1

### ***Number of Corporate Social Responsibility Committee meetings in Fiscal 2021-22:***

***One (1) December 24, 2021***

### ***Terms of reference***

The terms of reference have been revised vide resolution in the Board of Directors meeting dated October 21, 2021.

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- (a) To formulate and recommend to the board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;
- (b) To review and recommend the amount of expenditure to be incurred on the activities referred to in (a);
- (c) To monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time;
- (d) To do such other acts, deeds and things as may be required to comply with the applicable laws; and;
- (e) 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.”

## **7. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors of the Company and designated persons. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

## **8. DISCLOSURES**

None of the transactions with any of related parties were in conflict with the Company’s interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Notes of Standalone Financial Statements, forming part of the Annual Report. All related party transactions are negotiated on arm’s length basis and are intended to further the Company’s interests.

## **INTERNAL CONTROLS**

The Company has adequate internal controls in place considering the complexity, size and nature of operations of the Company

## **WHISTLE BLOWER POLICY**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

## MEANS OF COMMUNICATION

### Quarterly Results

The Board of Directors of the company approves and takes on record the Un-audited/Audited financial results as per the format prescribed by the Stock Exchange on quarterly basis. The results are announced to all the Stock Exchanges where the shares of the Company are listed.

### Website

The Company's website ([www.venuspipes.com](http://www.venuspipes.com)) contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

### SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) and online viewing by investors of actions taken on the complaint and its current status.

## WEBLINK FOR POLICY ON DETERMINATION OF MATERIAL SUBSIDIARY AND POLICY ON RELATED PARTY TRANSACTIONS

Both the policies can be accessed at: <https://www.venuspipes.com/investors/policies/>

## GENERAL SHAREHOLDERS INFORMATION

### Company Registration Details

The Company is registered in the State of Gujarat, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U74140GJ2015PLC082306.

### CFO CERTIFICATION

A certificate of the CFO of the Company on financial statements and applicable internal controls as stipulated under Regulation 17(8) of the Listing Regulations, is enclosed as **Annexure: D** to this report.

## CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE WITH REGARD TO DISQUALIFICATION OF DIRECTORS

A certificate from M/s. Piyush Prajapati & Associates, Practicing Company Secretary certifying that 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 Board/Ministry of Corporate Affairs or any such statutory authority and certificate is annexed to this report as **Annexure: E**.

## AUDITORS' REMUNERATION

The details of total fees for all services paid by the Company during FY 2021-22, to the Statutory Auditors are as follows:

Particulars	Amount (in Rs. million )
Payment to Statutory Audit fees (including out of pocket expenses)	0.3
Certifications fees	0
<b>Total</b>	<b>0.3</b>

## COMPLIANCE CERTIFICATE OF AUDITOR

Certificate from the Company's Auditor M/s Maheshwari & Co, Chartered Accountants (Firm Registration No: 105834W) confirming compliance with conditions of Corporate Governance is attached to this Report.

## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Company has adopted a Code of Conduct for its Employees and Directors which is available on the Company's web site.

As per the requirements of the Listing Regulations, this is to confirm that all the Members of the Board and Senior Management Personnel have affirmed with the Code of Conduct of the Company for the financial year 2021 - 22 and accordingly have received a declaration of compliance with the Code of Conduct from them.

For the purpose of this declaration, Senior Management team means the Chief Financial Officer, the Company Secretary and all Functional Heads of the Company as on 31st March, 2022.

Place: Dhaneti  
Date: 29/07/2022

*Sd/-*  
Arun Axaykumar Kothari  
Managing Director  
DIN : 00926613

## Corporate Governance Certificate

The Members

Venus Pipes & Tubes Limited

(Formerly Known as Venus Pipes & Tubes Private Limited)

We have examined, documents, books, papers, minutes, forms and returns filed and other relevant records maintained by Venus Pipes & Tubes Limited, (CIN: U74140GJ2015PLC082306) [herein after referred as “the Company”] having its Registered Office at Survey No. 233/2 and 234/1 Dhaneti BHUJ Kachchh GJ 370020 IN, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called “SEBI (LODR) Regulations 2015”) for the financial year ended 31st March, 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

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

We have examined the books of account and other relevant records maintained by the Company for the purpose of providing limited assurance on the compliance with Corporate Governance requirements by the Company. Our examination was carried out in accordance with the Guidance Note on certificate on of Corporate Governance (as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), issued by The Institute of Company Secretaries of India (ICSI) and was limited to procedures and implementation on thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Further, this Certificate is also required to be annexed with the Directors’ Report of the Company which forms part of the Annual Report as required under para E of Schedule V of the Listing Regulations.

We have verified the conditions of Corporate Governance to the extent possible since as at the end of the Financial Year 2021-2022, the Company was an unlisted public company and was in the process of listing through Initial Public Offer (IPO). The Company has been listed with Stock Exchanges with effect from 24<sup>th</sup> May 2022.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, I hereby certify that the Company to the extent possible

has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March 2022.

This Certificate 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.

The Corporate Governance Certificate shall be read in the context of the fact that the Company was unlisted through the Financial Year 2021-2022 and this certificate is furnished as on even date when the Company is listed and is required to comply with SEBI Listing Regulations and the circulars/ guidelines issued thereunder (including any amendments, modifications or re-enactments thereof for the time being in force).

**For Maheshwari & Co.  
Chartered Accountants  
Firm's Registration No.105834W**

*Sd/-*  
**Ramesh Totla  
Partner  
Membership No. 416169  
UDIN: 22416169ANVKEK9071**

**Place: Surat  
Date: July 29, 2022**

## ANNEXURE – D

### **CEO and CFO Certificate to the Board pursuant to Regulation 17 (8) of the Listing Regulations**

To,

The Board of Directors

Venus Pipes & Tubes Limited

(Formerly Known as Venus Pipes & Tubes Private Limited)

CIN- U74140GJ2015PLC082306

Survey No. 233/2 and 234/1

Dhaneti BHUJ, Kachchh GJ 370020 IN

I Arun Axaykumar Kothari, Managing Director and Chief Financial Officer of Venus Pipes & Tubes Limited to the best of my knowledge and belief, hereby certify that:

(a) I have reviewed the financial statements and the cash flow statement for the quarter and financial year ended March 31, 2022 and confirm that:

- (i) These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These financial statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;<sup>3</sup>

(b) There is, to the best of my knowledge and belief, no transaction entered into by the Company during the quarter and financial year ended March 31, 2022, which is fraudulent, illegal or violative of the Company's code of conduct.

(c) I 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 I have taken or propose to take to rectify these deficiencies.

(d) I have indicated to the Auditors and the Audit committee that for the quarter and financial year ended March 31, 2022, there were:



- (i) No significant changes in Internal Control over financial reporting;
- (ii) No significant changes in accounting policies and that the same have been disclosed in the notes to the financial statement; and
- (iii) No instances of significant fraud of which we have become aware and there has been no involvement therein of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

I further declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct in respect of the financial year ended March 31, 2022.

**Date: 29/07/2022**

**Place: Dhaneti**

*Sd/-*

**Arun Axaykumar Kothari**  
**Chief Financial Officer**

## ANNEXURE- E

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) of Clause 10(i) of Part C of Schedule V of the Securities Exchange**  
**Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015**

To,  
The Members,  
Venus Pipes & Tubes Limited  
(Formerly Known as Venus Pipes & Tubes Private Limited)  
CIN- U74140GJ2015PLC082306  
Survey No. 233/2 and 234/1  
Dhaneti BHUJ  
Kachchh GJ 370020 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VENUS PIPES & TUBES LIMITED (CIN: U74140GJ2015PLC082306) having its Registered Office at Survey No. 233/2 and 234/1 Dhaneti BHUJ Kachchh GJ 370020 IN (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-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 our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal [www.mca.gov.in](http://www.mca.gov.in)) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31<sup>st</sup> March 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Din/Pan	Name of Director	Designation	Date of Appointment
1	00926613	Arun Axaykumar Kothari	Managing Director & CFO	14/09/2021
2	02617107	Megharam Sagramji Choudhary	Whole Time Director	17/02/2015
3	07098080	Dhruv Mahendrakumar Patel	Whole Time Director	16/06/2015
4	02617118	Jayantiram Motiram Choudhary	Chairman and Non-Executive Director	17/02/2015
5	03516372	Shyam Agrawal	Independent Director	19/10/2021
6	00026078	Kailash Nath Bhandari	Independent Director	19/10/2021
7	05192392	Pranay Ashok Surana	Independent Director	19/10/2021
8	07805112	Komal Lokesh Khadaria	Independent Director	19/10/2021

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

It may be noted that at the end of the Financial Year 2021-2022, the Company was an unlisted public company and was in the process of listing through Initial Public Offer (IPO). The Company has been listed with Stock Exchanges with effect from 24th May, 2022.

The Certificate of Non-Disqualification of Directors shall be read in the context of the fact that the Company was unlisted through the Financial Year 2021-2022 and this certificate is furnished as on even date when the Company is listed and is required to comply with SEBI Listing Regulations and the circulars/ guidelines issued thereunder (including any amendments, modifications or re-enactments thereof for the to me being in force).

**For Piyush Prajapati & Associates**

Company Secretaries

*Sd/-*

**CS Piyush Prajapati**

Proprietor

Membership No. ACS 50574

COP. No. 18332

Place: Gandhidham

Date: July 29, 2022

UDIN - A050574D000712444

**Annexure -A**

FORM NO. MR.3 SECRETARIAL  
AUDIT REPORT

For The Financial Year Ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**Venus Pipes & Tubes Limited**

**(Formerly Known as Venus Pipes & Tubes Private Limited)**

Survey No. 233/2 and 234/1

Dhaneti BHUJ

Kachchh GJ 370020 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Venus Pipes & Tubes Limited (Formerly Known as Venus Pipes & Tubes Limited Private 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 my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 (“Audit Period”) 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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (“**the Act**”) and the rules made there under;

- (ii) The Securities Contracts (Regulation) Act, 1956 (“**SCRA**”) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowing;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the Company during the audit period)**;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the audit period)**;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the audit period)**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreements entered with stock exchange. **(Not Applicable to the Company during the audit period)**

During the period under review the Company has file the draft red herring prospectus of the Company dated December 24, 2021 (the “**Draft Red Herring Prospectus**” or the “**DRHP**”) with SEBI.

**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 and agenda items 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 decision is carried through while the dissenting members ‘views are captured and recorded as part of the minutes.

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

**I further report that during the audit period**

- (i) The Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Annual General Meeting of the Company held on September 10, 2021 and the name of the Company was changed to Venus Pipes & Tubes Limited and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated September 16, 2021 was issued by Registrar of Companies, Ahmedabad.
- (ii) The Company has increased its authorized share capital to Rs. 25.00 Crores.
- (iii) The Company has issued and allotted Bonus shares of Rs. 4,36,63,500/- (Rupees Four Crore Thirty Six Lacs Sixty Three Thousand Five Hundred only) having face value of Rs.10/- each to the existing shareholders on 10<sup>th</sup> September, 2021 and allotment of 21,22,960 (Twenty One Lakh Twenty Two Thousand Nine Hundred and Sixty) Equity Share Rs. 10/- (Rupees Ten Only) each at a premium of Rs. 270/- (Indian Rupees Two Hundred Seventy Only) per share fully paid as Private Placement as on 21<sup>st</sup> October, 2021. Accordingly, the paid-up share capital of the Company was increased to Rs. 15,22,20,100/-

The Company has filed the draft red herring prospectus of the Company dated December 24, 2021 (the “Draft Red Herring Prospectus” or the “DRHP”) with SEBI.

**For Piyush Prajapati & Associates**

Company Secretaries

*Sd/-*

**CS Piyush Prajapati**

Proprietor

Membership No. ACS 50574

COP. No. 18332

Place: Gandhidham

Date: July 29, 2022

UDIN - A050574D000712444

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



## **Annexure -I**

To,  
The Members,  
**Venus Pipes & Tubes Limited**  
**(Formerly Known as Venus Pipes & Tubes Private Limited)**  
**Survey No. 233/2 and 234/1**  
**Dhaneti BHUJ**  
**Kachchh GJ 370020 IN**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our 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 correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Piyush Prajapati & Associates**  
Company Secretaries

*Sd/-*

**CS Piyush Prajapati**

Proprietor

Membership No. ACS 50574

COP. No. 18332

Place: Gandhidham

Date: July 29, 2022

## Annexure – B

### Particulars of Employees

Disclosure as per Section 197(12) of Companies Act 2013 & Rule 5(1) & Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	% Increase in remuneration in the Financial Year ended March 31, 2022	Ratio of remuneration of each Director to median remuneration of the employees of the Company
Mr. Arun Axaykumar Kothari	Managing Director & Chief Financial Officer	Nil	12.23
Mr. Megharam Sagramji Choudhary	Whole Time Director	Nil	9.78
Mr. Dhruv Mahendrakumar Patel	Whole Time Director	Nil	9.78
Mr. Pavan Kumar Jain	Company Secretary	Nil	2.05
Mr. Jayantiram Motiram Choudhary	Chairman and Non-Executive Director	Being Non-Executive, nothing was paid and thus ratio is not provided here	
Mr. Kailash Nath Bhandari	Independent Director		
Mr. Pranay Ashok Surana	Independent Director		
Mr. Shyam Agrawal	Independent Director		
Mrs. Komal Lokesh Khadaria	Independent Director		

1. The Ratio of the Remuneration of Each Director to the Median Remuneration of the Employees of the Company for the Financial year ending March 31, 2022 and
2. The Percentage increase in Remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ending on March 31, 2022
3. The percentage increase in the Median Remuneration of employees in the Financial Year ending on March 31, 2022: 29%
4. Total Number of employees on the roll of the Company as on March 31, 2022 : 202
5. Average Percentage Increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year i.e. 2021-22 was 82%
6. It is affirmed that the Remuneration is as per the Remuneration Policy of the Company

Particulars of the employees who are covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 There was no employee of the Company employed throughout the financial year with salary above Rs. 1 crore and 2 lakhs per annum or employed in part of the financial year with an average salary above Rs 8 lakhs and 50 Thousands per month.

Further, there is no employee employed throughout the financial year or part thereof, was in receipt of remuneration in aggregate, in excess of that drawn by the Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent (2 %) of the equity shares of the Company.

**For & on behalf of the Board of Directors**

*Sd/-*

**Arun Axaykumar Kothari**

**DIN : 00926613**

**Managing Director**

**Date July 29, 2022**

**Place Dhaneti**

## ANNEXURE - C

### Annexure to Board's Report Corporate Social Responsibility Report

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and project or programs: [www.venuspipes.com](http://www.venuspipes.com)

We have adopted a corporate social responsibility ("CSR") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central Government. Our Company's CSR initiatives are focused on eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care, ensuring environmental sustainability education, promoting gender equality and empowering women and other activities.

Venus Pipes & Tubes Limited has joined hands with Shri Raginiben Bipinchandra Sevakarya Trust for promoting education, Medical and Humanitarian field SSMHC Projects.

Board of Directors of the Company has also re-constituted Corporate Social Responsibility Committee on October 21, 2021 to look after for proper implementation of projects as may be finalized by the Board.

2. The Composition of the CSR Committee consists of

Corporate Social Responsibility Committee		
Name	Position in the committee	Designation
Shyam Agrawal	Chairperson	Non-Executive Independent Director
Megharam Sagramji Choudhary	Member	Whole Time Director
Dhruv Mahendrakumar Patel	Member	Whole Time Director

2. Average Net Profit of the Company for last three Financial Year:

Average Net Profit Rs. 137.49 Million

3. Prescribed CSR expenditure (Two Percent of the amount as in item 3 above):

Rs. 2.75 Million

4. Details of CSR spent during the Financial Year: Rs. 2.80 Million

- a) Total amount to be spent for the Financial year : Rs. Nil
- b) Amount unspent, If any: Rs. Nil

Manner in which the amount spent during the financial year is detailed below:

(1) SN	(2) CSR project or activity Identified.	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget ) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency *
1.	Donation	Education, Medical and Humanitarian field	Ahmedabad	-	-	-	2.80 Million

5. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

Venus Pipes & Tubes Limited considers Social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the ultimate benefit of the Society.

And we would be pleased to inform to all the Stakeholders that we have already contributed that was allotted as CSR budget of the financial year 2021-22 for education, medical and humanitarian related to utilization of the CSR budget.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives

**For and on behalf of the Board of Directors**

**Sd/-**

**Megharam Choudhary**

**DIN: 02617107**

**(Member of Committee)**

**Date: July 29, 2022**

**Place: Dhaneti**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF VENUS PIPES & TUBES LIMITED

Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **VENUS PIPES & TUBES LIMITED (CIN-U74140GJ2015PLC082306)** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of cash flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and



we do not provide a separate opinion on these matters. Based on the circumstances and facts of the audit and entity, there are no key audit matters to be communicated in our report.

#### **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

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

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

### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit report 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 purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss, including other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure A”**; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 36.1 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any; and
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not paid or declared any dividend during the year and until the date of report, Hence, Compliance in accordance with section 123 of the Act is not applicable.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the “Annexure- B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Maheshwari & Co.**  
**Chartered Accountants**  
**Firm’s Registration No.105834W**

**Sd/-**  
**Ramesh Totla**  
**Partner**  
**Membership No. 416169**  
**UDIN:22416169AMYBQK2375**

**Place: Surat**  
**Date: June 29, 2022**

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

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

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **VENUS PIPES & TUBES LIMITED** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls 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 years 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.

## Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, 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.

**For Maheshwari & Co.  
Chartered Accountants  
Firm's Registration No.105834W**

**Place: Surat  
Date: June 29, 2022**

*Sd/-*  
**Ramesh Totla  
Partner  
Membership No. 416169  
UDIN:22416169AMYBQK2375**



## **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of the Company's Property, Plant and Equipment and Intangible 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 program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a year of three years. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder,
2. a) According to information and explanations given to us, The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

b) According to information and explanations given to us, The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, the company files monthly statement to the bank. The company is maintaining proper records. The discrepancies noticed on verification of record and compared with the books of account were not material.

3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Hence Reporting under sub clauses (a), (b), (c), (d), (e), (f) of clause (iii) of the order is not applicable.
4. According to information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder during the year. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. In our opinion and according to the information and explanations given to us, the maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the activities carried on by the Company. We have broadly reviewed the books of account relating to materials; Labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory

dues were outstanding as on the last day of the financial year for a year of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of sales tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited on account of any dispute with the relevant authorities.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. (a) Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or bank.. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) On the basis of the information or explanation provided by the management during the course of audit, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. Hence reporting under clause 3(ix)(b) of the Order is not applicable.

(c) On the basis of the information or explanation provided by the management during the course of audit, Term loans were applied for the purpose for which the loans were obtained and no amount of loan has been diverted for any other purpose. Hence reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On the basis of the information or explanation provided by the management during the course of audit, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

(e) On the basis of the information or explanation provided by the management during the course of audit, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Hence reporting under clause 3(ix)(e) of the Order is not applicable

(f) On the basis of the information or explanation provided by the management during the course of audit, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence reporting under clause 3(ix)(f) of the Order is not applicable.

10. On the basis of the information or explanation provided by the management during the course of audit, No money was raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence Clause x (a) of the Companies (Auditor's Report) Order is not applicable.

(b) During the year, the company has made preferential allotment or private placement of shares. the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) On the basis of the information or explanation provided by the management during the course of audit, there were no whistle-blower complaints during the year.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

14. (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, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (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.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. 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.  
  
(a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second

proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a special account in compliance with provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

**For Maheshwari & Co.  
Chartered Accountants  
Firm's Registration No.105834W**

**Sd/-  
Ramesh Totla  
Partner  
Membership No. 416169  
UDIN:22416169AMYBQK2375**

**Place: Surat  
Date: June 29, 2022**

**VENUS PIPES & TUBES LIMITED**  
(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)  
CIN NO. U74140GJ2015PLC082306  
STATEMENT OF ASSETS AND LIABILITIES AS AT

(₹ in Million)			
Particulars	Note No	March 31, 2022	March 31, 2021
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment & Intangible Assets			
(i) Property, Plant and Equipment	2	212.55	195.26
(ii) Intangible Assets	2	1.06	0.70
(iii) Capital Work in Progress	2	73.54	-
(b) Financial Assets			
(i) Other Non Current Financial Assets	3	16.82	13.18
		<b>303.97</b>	<b>209.14</b>
<b>2 Current assets</b>			
(a) Inventories	4	934.59	441.80
(b) Financial assets			
(i) Investment	5	13.91	-
(ii) Trade Receivables	6	735.15	450.69
(iii) Cash and Cash Equivalents	7	0.11	0.69
(iv) Bank balances other than (ii) above	8	73.34	43.86
(v) Other Current Financial Assets	9	7.17	25.57
(c) Other Current Assets	10	410.68	203.64
		<b>2,174.95</b>	<b>1,166.25</b>
<b>Total Assets</b>		<b>2,478.92</b>	<b>1,375.39</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	11	152.22	87.33
(b) Other Equity	12	1,133.12	311.99
		<b>1,285.34</b>	<b>399.31</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	142.57	184.89
(ii) Lease Liabilities	14	2.33	3.17
(b) Provisions	15	3.40	2.17
(c) Deferred Tax Liabilities (Net)	16	7.34	4.29
		<b>155.64</b>	<b>194.50</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	543.88	190.13
(ii) Lease Liabilities	14	0.84	0.74
(iii) Trade payables			
- Total outstanding dues to Micro Enterprise & Small Enterprise	18	7.72	-
- Total outstanding dues of Creditors other than Micro Enterprise & Small Enterprise	18	326.90	424.22
(iv) Other Financial Liabilities	19	1.69	1.36
(b) Provisions	15	0.07	0.04
(c) Current-Tax Liabilities (Net)	20	101.60	102.75
(d) Other current liabilities	21	55.24	62.34
		<b>1,037.94</b>	<b>781.57</b>
<b>Total Equity and Liabilities</b>		<b>2,478.92</b>	<b>1,375.39</b>
Significant Accounting Policies	1		
Notes forming part of the financial statements	2 to 36		
As per our report of even date attached			

**For Maheshwari & Co**  
Chartered Accountants  
Firm Reg. No.: 105834W

For and on behalf of the Board of Directors of  
**Venus Pipes & Tubes Limited**

**Sd/-**  
**Ramesh Totla**  
Partner  
Membership No. : 416169  
Place: Surat  
Date: 29.06.2022

**Sd/-**  
**Mr. Megharam S Choudhary**  
Director  
Din: 02617107

**Sd/-**  
**Mr. Dhruv M Patel**  
Director  
Din: 07098080

**Sd/-**  
**Mr. Arun Kothari**  
(MD & CFO)  
Din: 00926613  
Place: Gandhidham  
Date: 29.06.2022

**Sd/-**  
**Mr. Pavan Jain**  
(Company Secretary)  
Membership No: A66752  
Place: Gandhidham  
Date: 29.06.2022

**VENUS PIPES & TUBES LIMITED**  
(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)  
CIN NO. U74140GJ2015PLC082306  
**STATEMENT OF PROFIT AND LOSS FOR THE**

(₹ in Million)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
<b>1 Revenue from operations</b>	22	3,869.52	3,093.31
<b>2 Other Income</b>	23	21.23	27.00
<b>3 Total Income (1+2)</b>		<b>3,890.75</b>	<b>3,120.31</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	24(a)	3,562.63	2,107.38
(b) Purchase of Stock in Trade		64.55	524.67
(c) Changes in inventories of finished goods & work-in- progress	24(b)	(476.73)	(17.27)
(d) Employee benefits expense	25	62.46	32.00
(e) Finance Cost	26	70.57	55.61
(f) Depreciation and amortization expense	2(c)	14.25	9.65
(g) Other expenses	27	164.25	98.76
<b>Total expenses</b>		<b>3,461.97</b>	<b>2,810.80</b>
<b>5 Profit \ (Loss) before exceptional items and tax (3-4)</b>		<b>428.78</b>	<b>309.51</b>
<b>6 Exceptional items</b>		-	-
<b>7 Profit \ (Loss) before tax (5-6)</b>		<b>428.78</b>	<b>309.51</b>
<b>8 Tax expense:</b>			
(a) Current tax expense	32	109.01	79.64
(b) Deferred tax	32	3.09	(6.46)
<b>9 Profit \ (Loss) for the period (7-8)</b>		<b>316.68</b>	<b>236.32</b>
<b>10 Other comprehensive income</b>			
(i) Items that will not be reclassified to Profit / (Loss)			
- Actuarial Gain / (Loss) on defined benefit Plan		(0.12)	0.31
- Deferred Tax on above		0.03	(0.08)
<b>11 Total Comprehensive income for the period (9+10)</b>		<b>316.59</b>	<b>236.56</b>
<b>12 Earnings per share (Face Value of ₹ 10/- each):</b>	28		
<b>Before Bonus Issue</b>			
(a) Basic (in ₹)		22.55	27.06
(b) Diluted (in ₹)		22.55	27.06
<b>Post Bonus Issue</b>	28.1		
(a) Basic (in ₹)		22.55	18.04
(b) Diluted (in ₹)		22.55	18.04
Significant Accounting Policies	1		
Notes forming part of the financial statements	2 to 36		
As per our report of even date attached			

**For Maheshwari & Co**  
Chartered Accountants  
Firm Reg. No.: 105834W

For and on behalf of the Board of Directors of  
**Venus Pipes & Tubes Limited**

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**Mr. Pavan Jain**  
(Company Secretary)  
Membership No: A66752  
Place: Gandhidham  
Date: 29.06.2022



**VENUS PIPES & TUBES LIMITED**  
(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)  
CIN NO. U74140GJ2015PLC082306  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED**

(₹ in Million)

	Particulars	March 31, 2022		March 31, 2021	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit/(Loss) before tax & exceptional items	428.79		309.51	
	- Depreciation	14.24		9.65	
	- Provision for doubtful debts(ECL)/advances	(7.17)		4.92	
	- Interest Expense	53.62		49.08	
	- Interest Income	(4.95)		(12.48)	
	<b>Changes in Working Capital:-</b>				
	<b>Adjustment for (Increase) / Decrease in Operating Assets</b>				
	- Trade Receivables	(277.29)		(148.16)	
	- Inventory	(492.79)		0.96	
	- Other Non Current Financial Assets	(0.75)		(0.27)	
	- Other Current Financial Assets	(0.14)		(25.46)	
	- Other Current Assets	(107.14)		(110.47)	
	<b>Adjustment for Increase / (Decrease) in Operating Liabilities</b>				
	- Non Current Liabilities	1.11		0.88	
	- Other Current & Non-Current Financial Liabilities	(0.72)		(0.65)	
	- Trade Payables	(89.59)		11.22	
	- Other Current Liabilities	(7.08)		31.84	
	Cash generated from Operations		(489.86)		120.57
	Direct taxes paid		(110.17)		(7.30)
	<b>Net cash (used in)/from Operating Activities (A)</b>		<b>(600.03)</b>		<b>113.26</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Acquisition of investment		(13.91)		-
	Issue of Equity Shares (net off issue expenses)		569.43		-
	Purchase of Fixed Assets and CWIP		(205.50)		(50.39)
	Withdrawal / (Investment) in Fixed Deposits		(13.83)		13.74
	Interest Received		4.95		12.48
	<b>Net Cash from/(used in) Investing Activities (B)</b>		<b>341.14</b>		<b>(24.17)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds / (Repayment) from / (of) Borrowings (Net)		311.44		(51.09)
	Interest Paid		(53.13)		(40.81)
	<b>Net cash from/(used in) Financing Activities (C)</b>		<b>258.31</b>		<b>(91.91)</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>(0.58)</b>		<b>(2.82)</b>
	Cash and cash equivalents at the beginning of the period		0.69		3.50
	Cash and cash equivalents at the end of the period		0.11		0.69
	<b>Components of Cash &amp; Cash Equivalents</b>				
	Cash on Hand		0.11		0.61
	Balances with banks:				
	a) In current account		-		0.07
	<b>Total Cash and Bank Equivalents (As per Note 7)</b>		<b>0.11</b>		<b>0.69</b>
<b>Note :</b> The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow" issued by the Central Government under Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (Companies Indian Accounting Standard Rules, 2015)					
Significant Accounting Policies				1	
Notes forming part of the financial statements				2 to 36	

The Notes referred to above form an Integral part of this statement  
As per our report of even date attached

**For Maheshwari & Co**  
Chartered Accountants  
Firm Reg. No.: 105834W

For and on behalf of the Board of Directors of  
**Venus Pipes & Tubes Limited**

**Sd/-**  
**Ramesh Totla**  
Partner  
Membership No. : 416169  
Place: Surat  
Date: 29.06.2022

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**Mr. Megharam S Choudhary**  
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**Sd/-**  
**Mr. Pavan Jain**  
(Company Secretary)  
Membership No: A66752  
Place: Gandhidham  
Date: 29.06.2022

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**Notes to the Financial Statements**

**BACKGROUND AND OPERATIONS**

Venus Pipes & Tubes Limited (Formerly known as Venus Pipes & Tubes Private Limited) ("the Company") having its registered office at Survey No 233/2 & 234/1 Dhaneti , Bhuj, Kutch, Gujarat 370020 was incorporated on 17th February'2015 and subsequently on 16th September'2021 the company converted into Public Ltd company vide current Company Registration No. U74140GJ2015PLC082306 .

The company is engaged in activities of manufacturing of all kinds of stainless steel pipes & tubes and to deal in all the kinds of steel, pipes & tubes.

**1 SIGNIFICANT ACCOUNTING POLICIES:**

**1.1 Basis of preparation**

**(i) Statement of Compliance and basis of preparation**

The Statement of Assets & Liabilities of the Company as at 31st March 2022 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31st March 2022 and other explanatory information are together referred as "Audited Financial Statements".

These "Audited Financial Statements" are approved for issue by the Board of Directors on June 29, 2022.

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

**(ii) Basis of preparation and measurement**

The financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- Biological assets – measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

**1.2 Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:

Valuation of financial instruments  
Useful life of property, plant and equipment  
Defined benefit obligation  
Provisions  
Recoverability of trade receivables  
Recognition of revenue and allocation of transaction price  
Current tax expense and current tax payable

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

### **1.3 Cash and cash equivalents (for purpose of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **1.4 Cash flow statement**

Cash flows are reported using indirect method, whereby Profit before tax reported under statement of profit/ (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

### **1.5 Property, plant and equipment**

All the items of property, plant and equipment are stated at historical cost net off cenvat credit less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful life is taken in accordance with Schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

### **1.6 Intangible assets**

#### **Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in business combinations are stated at fair value as determined by the management of the Company on the basis of valuation by expert valuers, less accumulated amortization. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

#### **Amortization of Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

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, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

### **Useful lives of intangible assets**

Intangible assets are amortized over their estimated useful life on straight line method as follows:

- |                      |         |
|----------------------|---------|
| a. Computer Software | 5 Years |
|----------------------|---------|

### **1.7 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible 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 Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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 recognized immediately in profit or loss.

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 so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### **1.8 Inventories**

Inventories of finished goods, raw materials and work in progress are carried at lower of cost and net realizable value. Fuel and stores & spare parts are carried at cost after providing for obsolescence and other losses. Cost for raw materials, fuel, stores & spare parts are ascertained on weighted average basis. Cost of Inventories comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing to their respective present location and condition. Scrap Inventory is valued at NRV. Net Realizable Value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

### **1.9 Revenue Recognition**

Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists reasonable certainty of its recoverability.

Revenue from sale of goods is recognized when substantial risk and rewards of ownership are transferred to the buyer under the terms of the contract.

Sales value is net of discount but does not include other recoveries such as handling charges, transport, octroi, etc.

Revenue from service contracts are recognized when service are rendered and related costs are incurred.

### **1.10 Other Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 1.11 Foreign Currency Transactions

The functional currency for the Company is determined as the currency of the primary economic environment in which it operates. For the Company, the functional currency is the local currency of the country in which it operates, which is INR.

a) In preparing the financial statements the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized 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 retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated 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 not retranslated.

b) The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are taken into Statement of Profit and Loss.

### 1.12 Employees Benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions:

For defined benefit retirement 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. Remeasurement, 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 recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or 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 categorized as follows:

- a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. net interest expense or income; and
- c. remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized 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.

#### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### 1.13 Accounting for Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. 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 recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### **Current and deferred tax for the year/period**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## **1.14 Leases**

### **Transition**

Effective April 01, 2019, the company adopted Ind As 116 "leases" and applied the standard to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method with cumulative effect of initially applying the standard recognized on the date of initial application. Accordingly, company has not restated comparative information and recognized right of use assets at an amount equal to lease liability.

The Company's lease asset primarily consists of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

### **Company as a lessee**

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.



Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

#### **1.15 Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year adjusted for bonus elements, if any, issued during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. 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. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

#### **1.16 Segment Reporting**

##### **Identification of segments:**

Segments are identified in line with Ind AS-108 "segment Reporting", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

Based on the Company's business model, manufacturing and/or trading of pipes, tubes & steel have been considered as the only reportable business and geographical segment.

##### **Segment Policies:**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

#### **1.17 Provisions, Contingent Liabilities and Contingent Assets**

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 obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value 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.

#### **1.18 Fair value measurement**

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or a liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

### 1.19 Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 1.20 Current and non Current classification :

i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as current when it is:

- 1 Expected to be realized or intended to be sold or consumed in normal operating cycle
- 2 Held primarily for the purpose of trading
- 3 Expected to be realized within twelve months after the reporting period, or
- 4 Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

ii A liability is current when:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

### Note- 1.21 Critical and significant accounting judgements, estimates and assumptions

#### (i) Critical estimates and judgements

The following are the critical judgements, apart from those involving estimations that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Useful lives of property, plant and equipment and intangible assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2022 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

#### Allowance for expected credit losses:

The expected credit allowance is based on the aging of the days receivables are due and the rates derived based on past history of defaults in the provision matrix.

#### Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

#### (ii) Significant accounting judgements, estimates and assumptions

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.

#### Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:



**Determination of lease term & discount rate:**

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

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Estimates and assumptions**

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 on 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.

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow model. The cash flows are derived from the budget for the next five years and do not include activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the Cash Generating Unit being tested. The recoverable amount is sensitive to the discount rate used for the Discounted Cash Flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Provision and contingent liability**

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**CIN NO. U74140GJ2015PLC082306**  
**STATEMENT OF CHANGE IN EQUITY**

(₹ in Million)

Particulars	Share capital	Retained Earning	Security Premium	Total Equity
<b>As at March 31, 2020</b>	<b>87.33</b>	<b>75.43</b>	<b>-</b>	<b>162.76</b>
Net Profit/ (Loss) for FY 20-21	-	236.32	-	236.32
Actuarial gain/(loss) in respect of defined benefit plan	-	0.23	-	0.23
<b>As at March 31, 2021</b>	<b>87.33</b>	<b>311.99</b>	<b>-</b>	<b>399.31</b>
Net Profit/ (Loss) for FY 21-22	-	316.68	-	316.68
Bonus Shares Issued during the period	43.66	(43.66)	-	-
Equity Shares Issued during the period (net off issue expenses)	21.23	-	548.20	569.43
Actuarial gain/(loss) in respect of defined benefit plan	-	(0.09)	-	(0.09)
<b>As at March 31, 2022</b>	<b>152.22</b>	<b>584.92</b>	<b>548.20</b>	<b>1,285.34</b>

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For Maheshwari & Co**  
Chartered Accountants  
Firm Reg. No.: 105834W

For and on behalf of the Board of Directors of  
**Venus Pipes & Tubes Limited**

**Sd/-**  
**Ramesh Totla**  
Partner  
Membership No. : 416169  
Place: Surat  
Date: 29.06.2022

**Sd/-**  
**Mr. Megharam S Choudhary**  
Director  
Din: 02617107

**Sd/-**  
**Mr. Dhruv M Patel**  
Director  
Din: 07098080

**Sd/-**  
**Mr. Arun Kothari**  
(MD & CFO)  
Din: 00926613  
Place: Gandhidham  
Date: 29.06.2022

**Sd/-**  
**Mr. Pavan Jain**  
(Company Secretary)  
Membership No: A66752  
Place: Gandhidham  
Date: 29.06.2022

**VENUS PIPES & TUBES LIMITED**  
(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)  
Notes to the Financial Statements

**2. Property, Plant and Equipments**

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION & AMORTISATION					NET BLOCK		
	As at 1st April, 2021	Additions during the period	Deductions during the period	As at 31st March, 2022	As at 1st April, 2021	For the period	Transition Adjustment	Impairment Loss	Deductions during the period	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
1	2	3	4	5	6	7	8	9	10	11	12	13
Land	6.50	5.83	-	12.33	-	-	-	-	-	-	12.33	6.50
Computers	0.63	1.02	-	1.65	0.33	0.25	-	-	-	0.58	1.07	0.30
Buildings	37.54	10.55	-	48.09	2.30	1.29	-	-	-	3.59	44.50	35.24
Electrical Installation	0.97	-	-	0.97	0.60	0.18	-	-	-	0.78	0.19	0.37
Plant & Machinery	190.37	12.72	-	203.09	44.31	10.84	-	-	-	55.15	147.94	146.06
Furniture & Fixtures	0.10	0.66	-	0.76	0.02	0.03	-	-	-	0.05	0.71	0.08
Vehicles	2.42	0.07	-	2.49	0.14	0.29	-	-	-	0.43	2.06	2.28
Office Equipments	2.14	0.43	-	2.57	1.18	0.30	-	-	-	1.48	1.09	0.96
Right of Use Assets (Factory Land)	5.12	-	-	5.12	1.64	0.82	-	-	-	2.46	2.66	3.48
<b>Total Tangible Assets</b>	<b>245.79</b>	<b>31.28</b>	<b>-</b>	<b>277.07</b>	<b>50.53</b>	<b>14.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64.52</b>	<b>212.55</b>	<b>195.26</b>
<b>Previous Year</b>	<b>163.15</b>	<b>82.64</b>	<b>-</b>	<b>245.79</b>	<b>41.00</b>	<b>9.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.53</b>	<b>195.26</b>	<b>122.14</b>
<b>Capital Work in Progress *</b>											<b>73.54</b>	<b>-</b>

\*Refer Note 2.1 for CWIP Ageing Schedule

\*\* Title Deed of Immovable property : The company has been converted from private ltd to public limited w.e.f September 16, 2021, accordingly the deed are still in the name of Venus Pipes & Tubes P Ltd.

**2b. Intangible Assets (other than internally generated)**

Particulars	GROSS BLOCK (AT COST)				AMORTISATION					NET BLOCK		
	As at 1st April, 2021	Additions during the period	Deductions during the period	As at 31st March, 2022	As at 1st April, 2021	For the period	Transition Adjustment	Impairment Loss	Deductions during the period	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
1	2	3	4	5	6	7	8	9	10	11	12	13
Computer Software	0.85	0.61	-	1.46	0.15	0.25	-	-	-	0.40	1.06	0.70
<b>Total Intangible Assets</b>	<b>0.85</b>	<b>0.61</b>	<b>-</b>	<b>1.46</b>	<b>0.15</b>	<b>0.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.40</b>	<b>1.06</b>	<b>0.70</b>
<b>Previous Year</b>	<b>0.65</b>	<b>0.20</b>	<b>-</b>	<b>0.85</b>	<b>0.03</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.15</b>	<b>0.70</b>	<b>0.62</b>
<b>Intangible Assets under Development</b>											<b>-</b>	<b>-</b>

**2c. Depreciation and Amortization for the period**

Particulars	2021-22	2020-21
Depreciation and amortization for the period on tangible assets as per Note 2 A	14.00	9.52
Amortization for the period on intangible assets as per Note 2 B	0.25	0.12
<b>Total</b>	<b>14.25</b>	<b>9.65</b>

**VENUS PIPES & TUBES LIMITED**  
(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)  
Notes to the Financial Statements

**2. Property, Plant and Equipments**

2a. Property, Plant and Equipments													(₹ in Million)	
Particulars	G R O S S B L O C K (A T C O S T)				D E P R E C I A T I O N & A M O R T I S A T I O N					N E T B L O C K				
	As at 1st April, 2020	Additions during the period	Deductions during the period	As at 31st March 2021	As at 1st April, 2020	For the period	Transition Adjustment	Impairment Loss	Deductions during the period	As at 31st March 2021	As at 31st March, 2020			
1	2	3	4	5	6	7	8	9	10	11	12	13		
Land	6.50	-	-	6.50	-	-	-	-	-	-	6.50	6.50		
Computers	0.41	0.21	-	0.63	0.25	0.09	-	-	-	0.33	0.29	0.17		
Buildings	14.43	23.11	-	37.54	1.62	0.68	-	-	-	2.30	35.24	12.81		
Electrical Installation	0.97	-	-	0.97	0.42	0.18	-	-	-	0.60	0.37	0.55		
Plant & Machinery	133.45	56.93	-	190.37	36.87	7.43	-	-	-	44.31	146.06	96.57		
Furniture & Fixtures	0.10	-	-	0.10	0.01	0.01	-	-	-	0.02	0.08	0.09		
Vehicles	0.57	1.85	-	2.42	0.02	0.12	-	-	-	0.14	2.28	0.55		
Office Equipments	1.60	0.54	-	2.14	0.99	0.19	-	-	-	1.18	0.96	0.61		
Right of Use Assets (Factory Land)	5.12	-	-	5.12	0.82	0.82	-	-	-	1.64	3.48	4.30		
Total Tangible Assets	163.15	82.64	-	245.79	41.00	9.52	-	-	-	50.53	195.26	122.14		
Previous Year	117.62	45.52	-	163.15	19.93	21.07	-	-	-	41.00	122.14	97.69		
Capital Work in Progress											-	32.05		

**2b. Intangible Assets (other than internally generated)**

2b. Intangible Assets (other than internally generated)													(₹ in Million)	
Particulars	G R O S S B L O C K (A T C O S T)				A M O R T I S A T I O N					N E T B L O C K				
	As at 1st April, 2020	Additions during the period	Deductions during the period	As at 31st March 2021	As at 1st April, 2020	For the period	Transition Adjustment	Impairment Loss	Deductions during the period	As at 31st March 2021	As at 31st March 2021	As at 31st March, 2020		
1	2	3	4	5	6	7	8	9	10	11	12	13		
Computer Software	0.65	0.20	-	0.85	0.03	0.12	-	-	-	0.15	0.70	0.62		
Total Intangible Assets	0.65	0.20	-	0.85	0.03	0.12	-	-	-	0.15	0.70	0.62		
Previous Year	-	0.65	-	0.65	-	0.03	-	-	-	0.03	0.62	-		
Intangible Assets under Development											-	-		

**2c. Depreciation and Amortization for the period**

Particulars	N E T B L O C K	
Depreciation and amortization for the period on tangible assets as per Note 2 A	2020-21	2019-20
Amortization for the period on intangible assets as per Note 2 B	9.52	21.07
<b>Total</b>	<b>9.52</b>	<b>21.07</b>

Note: Till FY20, the company was following Written Down Value (WDV) depreciation method. Based on evaluation during the year, company considered to change the depreciation method from WDV to Straight line method (SLM) and has given effect from 01.04.2020. Due to change in depreciation method, there is reduction in depreciation and amortization. Depreciation for FY 21 is ₹ 9.65 Million as against ₹ 22.97 Million.

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**Notes to the Financial Statements**

(₹ in Million)

<b>Note 3 Other Non Current Financial Assets</b>		
Particulars	As at March 31, 2022	As at March 31, 2021
(a) Security deposits & Earnest money deposits	3.45	2.70
(b) Fixed Deposit with Bank	13.37	0.27
(c) Margin Money*	-	10.21
<b>Total</b>	<b>16.82</b>	<b>13.18</b>

\* against LC

<b>Note 4 Inventories ( At lower of cost and net realizable value)</b>		
Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material	231.09	216.64
Work in Progress	131.86	21.95
Finished Goods	568.79	201.96
Stores & Spares	2.85	1.25
<b>Total</b>	<b>934.59</b>	<b>441.80</b>

<b>Note 5 Investment</b>		
Particulars	As at March 31, 2022	As at March 31, 2021
Investments at fair value through Profit and Loss		
Investments in Liquid Mutual Funds (Refer Note below)	13.91	-
<b>Total</b>	<b>13.91</b>	<b>-</b>

Details of Liquid Mutual Fund Holdings as on March 31, 2022 as below :

Particulars	As at 31-03-2022		
	No. of Units	NAV (₹)	Market Value (₹ Million)
ICICI Short term Fund - Growth	291022	47.79	13.91
<b>TOTAL</b>	<b>291022</b>	<b>47.79</b>	<b>13.91</b>

<b>Note 6 Trade receivables</b>		
Particulars	As at March 31, 2022	As at March 31, 2021
(a) Unsecured Considered good	738.96	461.67
(b) Unsecured Considered doubtful	-	-
Less:- Allowance for doubtful debts (Including Expected credit loss allowance)	(3.81)	(10.98)
<b>Total</b>	<b>735.15</b>	<b>450.69</b>

Refer Note 6.1 for Trade Receivable Ageing Schedule

<b>Note 7 Cash and Cash Equivalents</b>		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents</b>		
(a) Cash on hand	0.11	0.61
(b) Balances with Banks	-	0.07
<b>Total</b>	<b>0.11</b>	<b>0.69</b>

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**Notes to the Financial Statements**

(₹ in Million)

<b>Note 8 Other Bank Balances</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Fixed Deposit (Original Maturity more than three months)	18.58	-
Margin Money**	54.76	43.86
<b>Total</b>	<b>73.34</b>	<b>43.86</b>

\*\* against LC

<b>Note 9 Other Current Financial Assets</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Interest Accrued but not due on fixed deposit	0.08	0.09
(b) TDS Recoverable from NBFCs	0.45	0.30
(c) Fixed Deposits with Bank	6.64	25.19
<b>Total</b>	<b>7.17</b>	<b>25.57</b>

<b>Note 10 Other current assets (Unsecured, considered goods)</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(a) Capital Advances	100.51	0.61
(b) Advances other than Capital Advances	255.39	197.47
(c) Prepaid expenses	17.53	4.98
(d) Balances with government authorities	37.25	0.59
<b>Total</b>	<b>410.68</b>	<b>203.64</b>

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**Notes to the Financial Statements**

**Note 2.1 Capital Work in Progress ageing schedule**

(₹ in Million)

Particulars	As at 31st March'22				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	73.54	-	-	-	73.54
(ii) Projects Temporarily Suspended	-	-	-	-	-
<b>Total</b>	<b>73.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73.54</b>

Note:- All the projects under CWIP are in-line with Original estimated Cost & Timeline. None of the projects are overdue as on 31st March'2022.

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**Notes to the Financial Statements**

**Note 6.1 Trade Receivables ageing schedule**

(₹ in Million)

Particulars	As at 31st March'22					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	694.89	21.91	14.42	4.29	3.45	738.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	(0.13)	(0.03)	(0.04)	(0.16)	(3.45)	(3.81)
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>694.76</b>	<b>21.88</b>	<b>14.38</b>	<b>4.13</b>	<b>-</b>	<b>735.15</b>

(₹ in Million)

Particulars	As at 31st March'2021					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	388.63	40.16	7.64	15.27	9.98	461.67
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	(0.27)	(0.21)	(0.08)	(0.43)	(9.98)	(10.98)
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>388.35</b>	<b>39.95</b>	<b>7.55</b>	<b>14.84</b>	<b>-</b>	<b>450.69</b>



VENUS PIPES & TUBES LIMITED  
(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)  
Notes to the Financial Statements

(₹ in Million)

Note 11 Equity Share capital		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorized</b>		
2,50,00,000 (Previous year 1,00,00,000) Equity Shares of ₹ 10 each fully paid-up	250.00	100.00
<b>Total</b>	<b>250.00</b>	<b>100.00</b>
<b>Issued, Subscribed and fully paid up</b>		
1,52,22,010 (Previous year 87,32,700) Equity Shares of ₹ 10 each fully paid-up	152.22	87.33
<b>Total</b>	<b>152.22</b>	<b>87.33</b>

a. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 is set out below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Numbers of shares at the Beginning	87,32,700	87.33	87,32,700	87.33
Add: Bonus shares issued during the year	43,66,350	43.66	-	-
Add: Shares issued during the year	21,22,960	21.23	-	-
<b>Numbers of shares at the End</b>	<b>1,52,22,010</b>	<b>152.22</b>	<b>87,32,700</b>	<b>87.33</b>

b. Terms / rights attached to Equity Shares

i) The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Equity Shareholders are eligible to dividend proposed by the Board of Directors as approved by Shareholders in the ensuing Annual General Meeting.

ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹	No. of Shares	₹
		NIL		NIL

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**d. Details of shares held by each shareholder holding more than 5% shares:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Shri Megharam Sagramji Choudhary	34,97,743	22.98	18,27,000	20.92
Shri Jayantiram Motiram Choudhary	11,78,915	7.74	12,84,700	14.71
Shri Dhruv Mahendrakumar Patel	25,80,810	16.95	4,52,000	5.18
Shri Hemant Rajnikant Shah	11,13,000	7.31	9,92,000	11.36
Shri Mahesh Himatlal Puj	11,13,000	7.31	12,02,000	13.76
Smt. Payal Kothari	11,60,291	7.62	21,82,000	24.99
Shri Manoj Singh Jadoun	11,13,000	7.31	4,93,000	5.65
Shri Arun Axaykumar Kothari	12,12,291	7.96	-	-

**e. Details of shares held by Promoters \***

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Shri Megharam Sagramji Choudhary	34,97,743	22.98	18,27,000	20.92
Shri Jayantiram Motiram Choudhary	11,78,915	7.74	12,84,700	14.71
Shri Dhruv Mahendrakumar Patel	25,80,810	16.95	4,52,000	5.18
Shri Hemant Rajnikant Shah	Ref Note below **		9,92,000	11.36
Shri Mahesh Himatlal Puj	Ref Note below **		12,02,000	13.76
Smt. Payal Kothari	11,60,291	7.62	21,82,000	24.99
Shri Manoj Singh Jadoun	Ref Note below **		4,93,000	5.65
Shri Leeladevi Choudhary	Ref Note below **		3,00,000	3.44
Shri Arun Axaykumar Kothari	12,12,291	7.96	-	-
Shri Vishwa Jeet Jhanwar	2,800	0.02	-	-
Smt. Jyoti Rakesh Lahoti	1,50,000	0.99	-	-

\* Promoters include promoters group

\*\* These persons not form part of promoters/promoters group

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(₹ in Million)

<b>Note 12 Other Equity</b>			
<b>Particulars</b>	<b>Retained earnings</b>	<b>Security Premium</b>	<b>Total</b>
Balance at the beginning of April 1, 2021	311.99	-	311.99
Bonus Shares Issued during the period	(43.66)	-	(43.66)
Equity Shares Issued during the year (net off issue expenses)	-	548.20	548.20
Net Profit / (Loss) for the period	316.68	-	316.68
Actuarial Gain / (Loss) in respect of defined benefit plan	(0.09)	-	(0.09)
<b>Balance at the end of March 31, 2022</b>	<b>584.92</b>	<b>548.20</b>	<b>1,133.12</b>
Balance at the beginning of April 1, 2020	75.43	-	75.43
Net Profit / (Loss) for the year	236.32	-	236.32
Actuarial Gain / (Loss) in respect of defined benefit plan	0.23	-	0.23
<b>Balance at the end of March 31, 2021</b>	<b>311.99</b>	<b>-</b>	<b>311.99</b>

**Note for Purposes of Reserves:**

**Retained Earnings:** Retaining Earnings represents the amount that can be distributed by the company as dividend considering the requirements of the companies Act, 2013.

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<b>Note 13 Borrowings</b>				
<b>Particulars</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
<b>Secured</b>				
a) Term Loans				
(i) From Banks	55.90	39.80	79.98	31.08
<b>Unsecured</b>				
a) From Banks	-	-	2.54	1.57
b) From Financial Institutions	6.67	13.33	3.82	9.41
c) From Directors	-	-	2.24	-
d) From Others	80.00	-	96.30	-
Less:- Transferred to Short Term Borrowings (Refer Note No. 17)	-	(53.13)	-	(42.06)
<b>Total</b>	<b>142.57</b>	<b>-</b>	<b>184.89</b>	<b>-</b>

**Notes:**

<b>Loan Type</b>	<b>Amount outstanding</b>		<b>Security details</b>	<b>Repayment terms</b>
	<b>31-03-2022</b>	<b>31-03-2021</b>		
State Bank of India (Term Loan-I AC-488)	7.96	-	Prime security : Hypothecation of entire plant & machinery and all other fixed assets of the company (Present & future).Collateral : WDV of various properties, Deposit , LIC policies. Personal guarantee of all the promoter directors.	13 equal monthly instalments of Rs. 630,000/- each and last installment of Rs. 310,000/- ending on March-2023.
State Bank of India (Term Loan-II AC-780)	12.46	-	Prime security : Hypothecation of entire plant & machinery and all other fixed assets of the company (Present & future).Collateral : WDV of various properties, Deposit , LIC policies. Personal guarantee of all the promoter directors.	22 equal monthly instalments of Rs. 570,000/- each and last installment of Rs. 460,000/- ending on Dec-2024.
State Bank of India (Term Loan-III AC-442)	20.59	-	Prime security : Hypothecation of entire plant & machinery and all other fixed assets of the company (Present & future).Collateral : WDV of various properties, Deposit , LIC policies. Personal guarantee of all the promoter directors.	33 equal monthly instalments of Rs. 630,000/- each and last installment of Rs. 410,000/- ending on Nov-2025.
State Bank of India (GECL AC-318)	38.50	-	Second Charge on entire primary and collateral securities for GECL and GECL Extn facilities. Collateral : WDV of various properties, Deposit , LIC policies. Personal guarantee of all the promoter directors	30 equal monthly instalments of Rs. 1,330,000/- each, ending on Aug-2024.
State Bank of India (GECL Extension AC-527)	15.10	-	Second Charge on entire primary and collateral securities for GECL and GECL Extn facilities. Collateral : WDV of various properties, Deposit , LIC policies. Personal guarantee of all the promoter directors	36 equal monthly instalments of Rs. 420,000/- each, ending on Dec-2025.
Unsecured Loan Oxyzo Financial Services Pvt Ltd	20.00	-	Unsecured	18 equal instalments of Rs. 11,11,111/-
Term Loan (GECL - 3301) from Karnataka Bank Limited	-	47.80	Prime security : Hypothecation of Stock, Book Debts of not more than 120 days and other current assets of the company. Collateral : WDV of plant & machinery along with various properties, RD , Deposit , LIC policies. Personal guarantee of all the promoter directors.	35 equal monthly instalments of Rs. 13,28,000/- each and last instalment of Rs. 13,20,000/-after initial holiday period of 12 months ending on Aug-2024. The limit has been taken over by State Bank of India.

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Term Loan (2001) from Karnataka Bank Limited	-	27.51	Prime Security :Hypothecation of Plant & Machinery to be purchased. Collateral : WDV of other plant & machinery along with various properties, RD , Deposit , LIC policies. Personal guarantee of all the promoter directors.	53 equal monthly instalments of Rs. 6,29,630/- each and last instalment of Rs. 6,29,610/- after initial holiday period of 6 months ending on Nov-2024. The limit has been taken over by State Bank of India.
Term Loan (501) from Karnataka Bank Limited	-	19.25	Prime Security :Hypothecation of Plant & Machinery. Collateral : RD , Deposit , LIC policies . Personal guarantee of all the promoter directors.	69 equal monthly instalments of Rs. 5,66,000/- each and last instalment of Rs. 5,71,000/- ending on Jan-2024. The limit has been taken over by State Bank of India.
Term Loan (401) from Karnataka Bank Limited	-	14.83	Prime Security :Hypothecation of Plant & Machinery .Collateral : RD , Deposit , LIC policies .Personal guarantee of all the promoter directors.	10 equal monthly instalments of Rs. 625,000/- each, 51 equal monthly instalments of Rs. 5,72,115/- each and last instalment of Rs. 5,7,2135/- ending on May 2023. (Note : CISS Subsidy Rs. 15 lakh credited on 04.07.2018 so EMI rephased. The limit has been taken over by State Bank of India.
Business Loan from ICICI Bank	-	4.11	Unsecured	40 equal monthly Instalments Rs. 179,426/- each and last instalment of 166,860/- commencing from March-2020. The loan has been prepaid during FY 2021-22.
Unsecured Loan from Tata Capital Financial Services Limited	-	3.48	Unsecured	30 equal monthly instalments of Rs. 2,52,045/- each commencing from Jan-2020. The loan has been prepaid during FY 2021-22.
Unsecured Loan from Bajaj Finance	-	2.31	Unsecured	40 equal monthly instalments of Rs. 1,10,719/- each commencing from Feb-2020. The loan has been prepaid during FY 2021-22.
Unsecured Loan from IIFL Finance	-	2.44	Unsecured	24 equal monthly instalments of Rs. 2,02,156/- each commencing from Mar-2020. The loan has been prepaid during FY 2021-22.
Unsecured Loan from Fullerton India	-	1.60	Unsecured	22 equal monthly instalments of Rs. 1,93,601/- each commencing from Mar-2020. The loan has been prepaid during FY 2021-22.
Unsecured Loan from ECL Finance Limited	-	1.47	Unsecured	19 equal monthly instalments of Rs. 2,59,037/- each commencing from Apr-2020. The loan has been prepaid during FY 2021-22.
Vehicle (Bus) Loan from HDFC Bank	0.74	1.16	Hypothecation of Vehicle (Bus)	36 equal monthly instalments of Rs. 42,075/- each commencing from Nov-2020.
Unsecured Loan - GECL from Tata Capital Financial Services Limited	-	0.97	Unsecured	12 equal monthly instalments of Rs. 11,317/- each and then 36 equal monthly instalments of Rs. 33,152/- commencing from Oct-2020. The loan has been prepaid during FY 2021-22.
SME Loan from Magma Fincorp Ltd.	-	0.96	Unsecured	36 equal monthly instalments of Rs. 48,530/- each commencing from Oct-2020.The loan has been prepaid during FY 2021-22.
Vehicle (Isuzu) Loan from HDFC Bank	0.35	0.50	Hypothecation of Vehicle (Isuzu)	50 equal monthly instalments of Rs. 16,100/- each commencing from Nov-2020.
<b>Total</b>	<b>115.70</b>	<b>128.40</b>		

\* Interest rate are in general linked to MCLR

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Note 14 Lease Liabilities				
Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(a) Obligation under Lease Payable	2.33	0.84	3.17	0.74
<b>Total</b>	<b>2.33</b>	<b>0.84</b>	<b>3.17</b>	<b>0.74</b>

14.1 Details of Lease Liabilities

Particulars	As at March 31, 2022	As at 31st March 2021
Opening Balance	3.90	4.55
Add: Additions (Transitional impact on adoption of Ind AS 116)	-	-
Add: Interest recognised during the period	0.46	0.55
Less: Payment Made	(1.20)	(1.20)
<b>Closing Balance</b>	<b>3.17</b>	<b>3.90</b>

Note 15 Provisions				
Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
<b>Provision for employee benefits</b>				
(a) Provision for compensated absences	0.16	0.02	0.07	0.01
(b) Provision for gratuity	3.24	0.05	2.09	0.04
<b>Total</b>	<b>3.40</b>	<b>0.07</b>	<b>2.17</b>	<b>0.04</b>

Note 16 Deferred Tax Liabilities (Net)			As at March 31, 2021	
Particulars	As at March 31, 2022		As at March 31, 2021	
<b>Deferred Tax Liability</b>				
Difference between book and tax depreciation	8.46		5.34	
Others	-		-	
	<b>8.46</b>		<b>5.34</b>	
<b>Deferred Tax Asset</b>				
Disallowances under Income Tax	(1.12)		(1.05)	
	<b>(1.12)</b>		<b>(1.05)</b>	
<b>Total</b>	<b>7.34</b>		<b>4.29</b>	

Note 17 Borrowings			As at March 31, 2021	
Particulars	As at March 31, 2022		As at March 31, 2021	
<b>Secured</b>				
(a) Cash Credit - From Bank	440.75		148.08	
(b) Supplier financing	50.00		-	
(c) Current maturities of Long Term borrowings	53.13		42.06	
<b>Total</b>	<b>543.88</b>		<b>190.13</b>	

Notes:

Loan Type	Amount outstanding		Interest Rate	Security details
	31-03-2022	31-03-2021		
Cash Credit (742) facility from State Bank of India	449.88	-	2.75% over 6 months MCLR Rate	Prime security : Hypothecation of Stock, Book Debts and all other current assets of the unit (present & future). Collateral : WDV of various properties, Deposit , LIC policies. Personal guarantee of all the promoter directors.
Supplier financing facility from Tata Capital Financial Services Limited	50.00	-	STLR less 7.80%	Investment in debt mutual funds of amount upto 25% of Loan amount.
Overdraft (201) facility from Karnataka Bank Limited	(5.54)	148.08	9.77% over 6 Months Treasury Bill	Prime security : Hypothecation of Stock, Book Debts of not more than 120 days and other current assets of the company. Collateral : WDV of plant & machinery along with various properties, RD , Deposit , LIC policies. Personal guarantee of all the promoter directors. The limits have been taken over by State Bank of India.
Overdraft (408) facility from Bandhan Bank Limited	(3.59)	-	11.00 % (Fixed)	
<b>Total</b>	<b>490.75</b>	<b>148.08</b>		

Note 18 Trade payables		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade payables *</b>		
(a) Total outstanding dues of micro enterprises and small enterprises	7.72	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	326.90	424.22
<b>Total</b>	<b>334.62</b>	<b>424.22</b>

Refer Note 18.1 for Trade Payables Ageing Schedule

\*outstanding due of creditor other than micro and small enterprises includes LC acceptance of Rs 5.91 Cr as at March 31st, 2022 & Rs 18.95 Cr as at March 31st, 2021.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier	7.72	-
Interest due thereon remaining unpaid to any supplier	0.11	-
The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable	0.11	-
The amount of interest accrued and remaining unpaid	0.11	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above and actually paid	0.11	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management during the year ended 31.03.2022. This has been relied upon by the auditors.

Note 19 Other Current Financial Liabilities		
Particulars	As at March 31, 2022	As at March 31, 2021
(a) Creditors for Capital Goods \ Services	0.97	1.13
(b) Interest accrued but not due on borrowings	0.72	0.22
<b>Total</b>	<b>1.69</b>	<b>1.36</b>

Note 20 Current Tax Liabilities (net)		
Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for Taxation (Net off Advance Tax of ₹ 12.34 Million as on 31 March 2022 and ₹ 1.2 Million for 31 March 2021)	101.60	102.75
<b>Total</b>	<b>101.60</b>	<b>102.75</b>

Note 21 Other current liabilities		
Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory Remittances	1.35	44.72
(b) Advance from Customers	53.89	17.62
<b>Total</b>	<b>55.24</b>	<b>62.34</b>

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**Note 18.1 Trade Payables ageing schedule**

(₹ in Million)

Particulars	As at 31st March'22				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Micro, Small & Medium Enterprise	7.72	-	-	-	7.72
(ii) Others	325.85	1.05	-	-	326.90
(iii) Disputed Dues - Micro, Small & Medium Enterprise	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>333.57</b>	<b>1.05</b>	<b>-</b>	<b>-</b>	<b>334.62</b>

(₹ in Million)

Particulars	As at 31st March'21				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Micro, Small & Medium Enterprise	-	-	-	-	-
(ii) Others	423.06	1.16	-	-	424.22
(iii) Disputed Dues - Micro, Small & Medium Enterprise	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>423.06</b>	<b>1.16</b>	<b>-</b>	<b>-</b>	<b>424.22</b>



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(₹ in Million)

**22 Revenue from operations**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sale of products	3,869.52	3,093.31
<b>Total</b>	<b>3,869.52</b>	<b>3,093.31</b>

**23 Other income**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest income		
- Fixed Deposits	4.75	4.92
- Others	0.20	7.56
(b) Export Incentive	1.17	1.44
(c) Foreign Exchange Gain (Net)	7.18	12.18
(d) Miscellaneous income	0.76	0.91
(e) Excess Provision no longer required	7.17	-
<b>Total</b>	<b>21.23</b>	<b>27.00</b>

**24 (a) Cost of materials consumed**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock	216.64	235.04
Add: Purchases	3,577.08	2,088.98
Less: Closing stock	231.09	216.64
<b>Total</b>	<b>3,562.63</b>	<b>2,107.38</b>

**24 (b) Changes in inventories of Finished Goods & WIP**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>At the end of the period:</b>		
- Finished goods	568.79	201.96
- Work in Progress	131.86	21.95
<b>At the beginning of the period:</b>		
- Finished goods	201.96	184.38
- Work in Progress	21.95	22.26
<b>Net Changes in Inventories</b>	<b>(476.73)</b>	<b>(17.27)</b>

**25 Employee benefits expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries and wages	52.80	26.84
(b) Contributions to provident and other funds	1.02	0.47
(c) Staff welfare expenses	7.50	3.79
(d) Gratuity Expenses	1.04	0.89
(e) Leave Encashment	0.10	0.01
<b>Total</b>	<b>62.46</b>	<b>32.00</b>

**25 (a) Details of Employee Benefits:**

As per Ind AS-19 "Employee Benefits", the disclosure of employee benefits as defined in the accounting standards are given below:

**I Defined Contribution Plans**

(₹ in Million)

Particulars	2021-2022	2020 - 2021
Employers Contribution to Provident Fund	1.02	0.47
<b>Total</b>	<b>1.02</b>	<b>0.47</b>

**II Defined Benefit Plans**

The Employees Gratuity Fund Scheme, which is a defined benefit plan is unfunded.

The present value of the obligation is determined based on actuarial valuation using Projected Units Credit Method, which recognizes each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to buildup the final obligation.

**(a) Gratuity (Un-Funded) & Compensated Absences (Unfunded)**

**(i) Reconciliation of Opening and Closing balances of the present value of the defined gratuity benefit obligation**

(₹ in Million)

Particulars	Gratuity	
	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Defined Benefit Obligation at the beginning of the period</b>	<b>2.13</b>	<b>1.55</b>
Current & Past Service Cost	0.89	0.78
Current Interest Cost	0.15	0.11
Benefits Paid (if any)	-	-
Actuarial Gain / (Loss)	(0.12)	0.31
Contributions to Plan Assets	-	-
<b>Defined Benefit Obligation at the end of the period</b>	<b>3.29</b>	<b>2.13</b>

**(ii) Reconciliation of Opening and Closing balance of the Fair Value of the Plan Assets**

Particulars	Gratuity	
	Year ended 31st March, 2022	Year ended 31st March, 2021
Fair Value of Plan Assets at the beginning of the period	-	-
Contributions by Employer	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain / (Loss)	-	-
<b>Fair Value of Assets at the end of the period</b>	<b>-</b>	<b>-</b>

**(iii) Reconciliation of Present Value of Obligation & Fair Value of Plan Assets**

Particulars	Gratuity	
	Year ended 31st March, 2022	Year ended 31st March, 2021
Fair Value of Plan Assets at the end of the period	-	-
Present Value of Defined Benefit Obligation at end of the period	3.29	2.13
<b>Liabilities / (Assets) recognized in the Balance Sheet</b>	<b>3.29</b>	<b>2.13</b>

**(iv) Expense recognized during the period**

Particulars	Gratuity	
	Year ended 31st March, 2022	Year ended 31st March, 2021
Current & Past Service Cost	0.89	0.78
Interest Cost	0.15	0.11
Expected Return on Plan Assets	-	-
<b>Net Cost Recognized in Profit or Loss</b>	<b>1.04</b>	<b>0.89</b>
<b>Actuarial Gain / (Loss) recognized in other Comprehensive Income</b>	<b>(0.12)</b>	<b>0.31</b>

The plan exposes the company to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity risk.

Investment risk	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.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(v) **Significant estimates: Actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

Particulars	Gratuity	
	Year ended 31st March, 2022	Year ended 31st March, 2021
Mortality Table (LIC)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
Discounting Rate	7.25%	6.82%
Attrition Rate	5.00%	5.00%
Salary growth rate	7.00%	7.00%
Return on Plan Assets	N.A.	N.A.

(vi) **Sensitivity analysis**

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

(a) **Change in Assumptions**

Particulars	Gratuity	
	Year ended 31st March, 2022	Year ended 31st March, 2021
Discount rate	1.00%	1.00%
Salary Growth rate	1.00%	1.00%
Attrition rate/Expected working life	1.00%	1.00%

(b) **Impact on defined benefit obligation**

**Gratuity**

Particulars	Increase in Assumptions		Decrease in Assumptions	
	Year ended 31st March, 2022	Year ended 31st March, 2021	Year ended 31st March, 2022	Year ended 31st March, 2021
Discount rate	(0.38)	(0.26)	0.46	0.32
Salary Growth rate	0.45	0.31	(0.38)	(0.26)
Attrition rate	(0.03)	(0.04)	0.03	0.04

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vii) **The following payments are expected contribution to the defined benefit plan in future years**

**Gratuity**

Particulars	As at March 31, 2022	As at March 31, 2021
Within the next 12 months i.e. 2022-23 (PY: 2021-22)	0.08	0.04
2023-24 (PY: 2022-23)	0.14	0.06
2024-25 (PY: 2023-24)	0.15	0.10
beyond 2025 (PY: beyond 2024)	10.34	6.58

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(₹ in Million)

<b>26 Finance Cost</b>			
	<b>Particulars</b>	<b>For Year ended March 31, 2022</b>	<b>For Year ended March 31, 2021</b>
<b>Interest Expenses</b>			
	- On Borrowings	37.62	36.51
	- On Others	16.00	12.57
	Other Borrowing Cost	16.95	6.53
	<b>Total</b>	<b>70.57</b>	<b>55.61</b>

<b>27 Other expenses</b>			
	<b>Particulars</b>	<b>For Year ended March 31, 2022</b>	<b>For Year ended March 31, 2021</b>
	Consumption of Stores & Spares	35.47	19.42
	Legal and professional	8.60	3.92
	Repairing & Maintenance Machinery	1.08	0.69
	Rent, Rates and Taxes	3.54	3.00
	Security Expenses	1.76	1.58
	Office Exp.	1.14	0.70
	Power and fuel	30.40	18.31
	Freight & Loading \ Unloading	29.81	18.24
	Communication	0.50	0.37
	Travelling and conveyance	1.32	0.45
	Insurance Expense	1.73	0.81
	Allowance for Doubtful Debts	-	4.92
	Printing & Stationary Expenses	0.73	0.43
	Contractor & Job Work Charges	34.10	16.41
	Payments to Auditors*	0.30	0.30
	Sales Promotion Expense	0.69	0.67
	Expenditure on CSR	2.80	0.94
	Miscellaneous Expenses	10.28	7.59
	<b>Total</b>	<b>164.25</b>	<b>98.76</b>

**\*Payable to Auditor:**

	For Audit fee	0.25	0.25
	For Tax Audit	0.05	0.05
	<b>TOTAL</b>	<b>0.30</b>	<b>0.30</b>

<b>28 Earnings Per Share (Basic &amp; Diluted)</b>			
	<b>Particulars</b>	<b>For Year ended March 31, 2022</b>	<b>For Year ended March 31, 2021</b>
	Profit/(Loss) attributable to Owners of the Company	316.68	236.32
	Amount available for calculation of Basic and Diluted EPS - (a)	316.68	236.32
	Weighted Average No. of Equity Shares Outstanding for Basic & Diluted EPS - (b)	1,40,41,296	87,32,700
	Basic and Diluted Earnings Per Share of Rs. 10/- Each (In Rs.) - (a) \ (b) - Pre Bonus	22.55	27.06
	Weighted Average No. of Equity Shares Outstanding for Basic & Diluted EPS -	1,40,41,296	87,32,700
	Add: Impact of Bonus Issue subsequent to period end	-	43,66,350
	Total Weighted Average No. of Equity Shares Outstanding for Basic & Diluted EPS	1,40,41,296	1,30,99,050
	Basic and Diluted Earnings Per Share of Rs. 10/- Each (In Rs.) - (a) \ (c) -Post Bonus	22.55	18.04

28.1 The company had issued and allotted 43,66,350 bonus equity shares in the ratio of 0.5:1 bonus share of face value of Rs 10 each held by the member as on 10 September, 2021, as approved by the members at the Annual general meeting held on 10th September, 2021. All shares are fully issued (No shares are allotted in Fraction). The bonus has been issued on 10 September, 2021 by capitalizing the sum of Rs 43.66 million from and out of free reserve. In term of IND AS-33, Earning per share of previous periods have been adjusted for bonus shares issued in current financial year.

**VENUS PIPES & TUBES LIMITED**  
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**Note 29 - Ratios**

**As at 31st March'22**

(₹ in Million)

<b>Sr. No</b>	<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>Current Period</b>	<b>Previous Period</b>	<b>% Deviation</b>	<b>Reason for Variance (In case of deviation for more than 25%)</b>
1	Current Ratio	2,174.95	1,037.94	2.10	1.49	40.43%	Increased operation had lead to increase in Current ratio.
2	Debt-to-equity Ratio	686.45	1,285.34	0.53	0.94	-43.13%	Increase in profit & Equity had resulted favourable Debt equity ratio
3	Net profit Ratio	316.68	3,869.52	0.08	0.08	7.12%	Not Applicable
4	Debt Service Coverage Ratio	492.36	85.42	5.76	6.53	-11.71%	Not Applicable
5	Return on Equity Ratio	316.68	1,285.34	0.25	0.59	-58.37%	Though profit had increased but return on Equity had decrease due to increase in equity via private placement.
6	Inventory Turnover Ratio	3,150.45	934.59	3.37	5.92	-43.04%	Increased operation had lead to increase in inventory which had resulted in low inventory turnover ratio.
7	Receivables Turnover Ratio	3,869.52	735.15	5.26	6.86	-23.31%	Not Applicable
8	Payables Turnover Ratio	3,641.63	334.62	10.88	6.16	76.64%	Improved operation had lead to improvement in payable Turnover ratio.
9	Net working capital turnover Ratio	3,869.52	1,137.01	3.40	8.04	-57.68%	Increased in Current Asset had lead to decrease in Net working capital turnover ratio.
10	Return on Capital employed Ratio	499.35	1,440.98	0.35	0.61	-43.64%	Though earning had increased but return on capital employed ratio had decrease as due to increase in operation capital employed had also increased .

**As at 31st March'21**

(₹ in Million)

<b>Sr. No</b>	<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>Current Period</b>	<b>Previous Period</b>	<b>% Deviation</b>	<b>Reason for Variance (In case of deviation for more than 25%)</b>
1	Current Ratio	1,166.25	781.57	1.49	1.27	17.91%	Not Applicable
2	Debt-to-equity Ratio	375.02	399.31	0.94	2.62	-64.13%	Improved in profit had resulted favourable Debt equity ratio
3	Net profit Ratio	236.32	3,093.31	0.08	0.02	229.11%	Increases volume & improved profit had improved net profit ratio.
4	Debt Service Coverage Ratio	347.76	53.27	6.53	1.72	279.70%	Improved EBITDA had resulted in healthy DSCR
5	Return on Equity Ratio	236.32	399.31	0.59	0.25	133.37%	Improved profit
6	Inventory Turnover Ratio	2,614.79	441.80	5.92	3.55	66.92%	Improved operation had lead to improvement in Inventory Turnover ratio.
7	Receivables Turnover Ratio	3,093.31	450.69	6.86	5.78	18.68%	Not Applicable
8	Payables Turnover Ratio	2,613.64	424.22	6.16	4.00	54.18%	Improved operation had lead to improvement in payable Turnover ratio.
9	Net working capital turnover Ratio	3,093.31	384.68	8.04	9.45	-14.93%	Not Applicable
10	Return on Capital employed Ratio	365.12	593.82	0.61	0.30	102.38%	Improved profit had resulted in higher return on capital employed ratio

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<b>30. Related Party Disclosure:</b>		
<b>(A) List of Related Parties</b>		
<b>(i)</b>	<b>Key Management Personnel</b>	
	<b>Name</b>	<b>Designation</b>
1	Mr. Hemant R Shah	(Director) (Upto 30.09.2021)
2	Mr. Mahesh H Puj	(Director) (Upto 30.09.2021)
3	Mr. Manoj Singh Jadoun	(Director) (Upto 30.09.2021)
4	Mr. Dhruv Patel	(Whole-time director) (w.e.f 14.09.2021)
5	Mr. Megharam S Choudhary	(Whole-time director) (w.e.f 14.09.2021)
6	Mr. Jayantiram M Choudhary	(Chairman & Non-executive director) (w.e.f 14.09.2021)
7	Mr. Arun Kothari	(Managing Director & CFO) (w.e.f 14.09.2021)
8	Mr. Kailash Nath Bhandari	(Non-Independent director) (w.e.f 19.10.2021)
9	Mr. Pranay Ashok Surana	(Non-Independent director) (w.e.f 19.10.2021)
10	Mrs. Komal Lokesh Khadaria	(Non-Independent director) (w.e.f 19.10.2021)
11	Mr. Shyam Agrawal	(Non-Independent director) (w.e.f 19.10.2021)
12	Mr. Pavan Kumar Jain	(Company Secretary) (w.e.f 14.09.2021)
<b>(ii)</b>	<b>Person having significant influence / control over the reporting entity or the relative of KMP</b>	
1	Mrs. Payal Kothari	
<b>(iii)</b>	<b>Enterprises over which Key Managerial Personnel or their relatives or the person having significant influence / control over the reporting entity are able to exercise significant influence / control</b>	
1	Ambaji Import Pvt Ltd (Upto 30.09.2021)	
2	Ambaji Infracon Private Limited (Upto 30.09.2021)	
3	Ambaji Warehouse Park (Upto 30.09.2021)	
4	Asian Metal Industries - Ahmedabad	
5	Flotek Engineering	
6	K. M. Ferrometals Private Limited (Upto 15.02.2021)	
7	Mahesh Oil Industries (Upto 30.09.2021)	
8	P K Enterprise	
9	Rajeshwar Steel (Gujarat) Pvt Ltd (Upto 25.05.2021)	
10	S.J Enterprise (Upto 30.09.2021)	
11	Sovox Renewables Pvt Ltd	
12	Sunshine Enterprises	
13	Sunshine Liquid Storage Pvt Ltd (Upto 30.09.2021)	
14	Syndicate Enterprises LLP	
15	Vardhman & Co. (Upto 30.09.2021)	
16	Venus Enterprises	
17	Asian Metal Industries - Gandhidham	
18	Dwarka Metal Corporation	
19	Metal Industrial Corporation	
20	Venus Pipes & Tubes	
21	Venus Metal Industries	
22	Godavari Metal Corporation	
23	Kamlesh Metal and Tubes LLP	

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Notes to the Financial Statements

(B) Transaction with related parties during the period:						(₹ in Million)	
Description of the nature of the transactions		KMP		Person having significant influence / control over the reporting entity or the relative of KMP		Entities over KMP or their relatives or the person having significant influence / control over the reporting entity exercise significant influence / control	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>I. Purchase of goods/services</b>							
1	Venus Enterprise	-	-	-	-	-	27.36
2	Sunshine Liquid Storage Pvt Ltd	-	-	-	-	-	(19.00)
3	K M Ferrometals Pvt Ltd	-	-	-	-	-	76.94
4	Syndicate Enterprises LLP	-	-	-	-	-	0.18
5	P K Enterprise	-	-	-	-	29.60	67.95
6	Flotek Engineering	-	-	-	-	103.59	-
7	Asian Metal Industries, Gandhidham	-	-	-	-	212.72	205.89
8	Dwarka Metal Corporation	-	-	-	-	116.22	82.50
9	Metal Industrial Corporation	-	-	-	-	0.41	0.72
10	Venus Pipes & Tubes	-	-	-	-	0.56	3.30
<b>II. Purchase of Fixed Assets</b>							
1	Asian Metal Industries, Ahmedabad	-	-	-	-	-	1.57
2	Asian Metal Industries, Gandhidham	-	-	-	-	2.43	0.88
<b>III. Sale of goods/services</b>							
1	Venus Enterprise	-	-	-	-	-	37.56
2	S.J. Enterprise	-	-	-	-	72.75	42.53
3	K M Ferrometals Pvt Ltd	-	-	-	-	-	127.73
4	Asian Metal Industries, Ahmedabad	-	-	-	-	1.41	11.80
5	P K Enterprise	-	-	-	-	25.98	75.25
6	Flotek Engineering	-	-	-	-	-	1.51
7	Asian Metal Industries, Gandhidham	-	-	-	-	18.24	9.30
8	Dwarka Metal Corporation	-	-	-	-	51.01	46.44
9	Metal Industrial Corporation	-	-	-	-	14.00	5.66
10	Venus Pipes & Tubes	-	-	-	-	7.09	1.50
11	Godavari Metal Corporation	-	-	-	-	0.94	-
12	Kamlesh Metal and Tubes LLP	-	-	-	-	0.10	-
<b>IV. Expenses Incurred</b>							
1	Sunshine Enterprises	-	-	-	-	1.20	2.40
2	Sunshine Liquid Storage Pvt Ltd	-	-	-	-	-	3.42
3	Jayantiram Choudhary	0.13	-	-	-	-	-
4	Arun Kothari	1.77	-	-	-	-	-
5	Megharam Choudhary	1.44	-	-	-	-	-
6	Dhruv Patel	1.44	-	-	-	-	-
7	Kailash Nath Bhandari	0.13	-	-	-	-	-
8	Pranay Ashok Surana	0.14	-	-	-	-	-
9	Komal Lokesh Khadaria	0.14	-	-	-	-	-
10	Shyam Agrawal	0.13	-	-	-	-	-
11	Pavan Kumar Jain	0.25	-	-	-	-	-

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Description of the nature of the transactions		KMP		Person having significant influence / control over the reporting entity or the relative of KMP		Entities over KMP or their relatives or the person having significant influence / control over the reporting entity exercise significant influence / control	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>V. Net Receipt/(Payment) of Unsecured Loan</b>							
1	Ambaji Import Pvt Ltd	-	-	-	-	(13.28)	(4.60)
2	Ambaji Infracon Pvt Ltd	-	-	-	-	4.73	-
3	Ambaji Warehouse Park	-	-	-	-	37.10	25.12
4	Dhruv M Patel	(2.24)	2.24	-	-	-	-
5	P K Enterprise	-	-	-	-	(20.53)	30.65
6	Payal Kothari	-	-	(0.40)	-	-	-
7	Sovox Renewables Pvt Ltd	-	-	-	-	(4.00)	4.00
8	Sunshine Enterprises	-	-	-	-	(4.28)	4.28
9	Asian Metal Industries, Gandhidham	-	-	-	-	(23.96)	23.96



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(C) Outstanding with the related parties at the end of the period:					
Description of the nature of the transactions	KMP		Person having significant influence / control over the reporting entity or the relative of KMP		Entities over KMP or their relatives or the person having significant influence / control over the reporting entity exercise significant influence / control
	31.03.2022	31.03.21	31.03.2022	31.03.21	31.03.21
<b>I. Amount Due from related parties (Dr)</b>					
1 S.J. Enterprise	-	-	-	-	32.49
2 Flotek Engineering	-	-	-	-	2.38
3 Asian Metal Industries, Gandhidham	-	-	-	-	26.82
4 Dwarka Metal Corporation	-	-	-	-	14.77
5 Metal Industrial Corporation	-	-	-	-	0.15
6 Venus Pipes & Tubes	-	-	-	-	-
<b>II. Amount Due to related parties (Cr)</b>					
1 Asian Metal Industries, Ahmedabad	-	-	-	-	0.95
2 Sunshine Enterprises	-	-	-	-	6.73
3 Ambaji Import Pvt Ltd	-	-	-	-	13.30
4 Ambaji Warehouse Park	-	-	-	-	25.12
5 Vardhman & Co.	-	-	-	-	0.38
6 Ambaji Infracore Pvt Ltd	-	-	-	-	1.54
7 Sovox Renewables Pvt Ltd	-	-	-	-	4.00
8 P K Enterprise	-	-	-	-	20.53
9 Dhruv M Patel	-	-	-	-	-
10 Payal Kothari	-	-	-	-	-
11 Venus Pipes & Tubes	-	-	-	-	2.14
12 Jayantiram Choudhary	0.09	-	-	-	-
13 Arun Kothari	0.28	-	-	-	-
14 Megharam Choudhary	0.25	-	-	-	-
15 Dhruv Patel	0.25	-	-	-	-
16 Kailash Nath Bhandari	0.08	-	-	-	-
17 Pranay Ashok Surana	0.09	-	-	-	-
18 Komal Lokesh Khadaria	0.09	-	-	-	-
19 Shyam Agrawal	0.09	-	-	-	-
20 Pavan Kumar Jain	0.04	-	-	-	-

### 31 Financial Instruments

#### (a) Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument.

#### Financial Instruments - Accounting Classification and Fair Value Measurements

The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short terms deposits, trade and other short receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameter such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level: 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 Other techniques for which all inputs which have a significant effect on the recorded fair value are observables, either directly or indirectly.

Level 3 Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

#### Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

#### As at 31st March, 2022

(₹ in Million)				
Financial assets	FVTPL*	FVTOCI**	Amortized Cost	Total carrying value
Trade Receivables	-	-	735.15	735.15
Cash and cash equivalents	-	-	0.11	0.11
Bank balances other than cash and cash equivalents	-	-	73.34	73.34
Other Non-Current Financial Assets	-	-	16.82	16.82
Other Current Financial Assets	-	-	7.17	7.17
	-	-	832.59	832.59

Financial liabilities	FVTPL	FVTOCI	Amortized Cost	Total carrying value
Non current borrowings	-	-	142.57	142.57
Current borrowings	-	-	543.88	543.88
Trade payables	-	-	334.62	334.62
Creditors for Capital Goods \ Services	-	-	0.97	0.97
Interest accrued but not due on borrowings	-	-	0.72	0.72
Obligation under Lease Payable	-	-	3.17	3.17
	-	-	1,025.93	1,025.93

#### As at 31 March, 2021

(₹ in Million)				
Financial assets	FVTPL	FVTOCI	Amortized Cost	Total carrying value
Trade Receivables	-	-	450.69	450.69
Cash and cash equivalents	-	-	0.69	0.69
Bank balances other than cash and cash equivalents	-	-	43.86	43.86
Other Non-Current Financial Assets	-	-	13.18	13.18
Other Current Financial Assets	-	-	25.57	25.57
	-	-	533.99	533.99

Financial liabilities	FVTPL	FVTOCI	Amortized Cost	Total carrying value
Non current borrowings	-	-	184.89	184.89
Current borrowings	-	-	190.13	190.13
Trade payables	-	-	424.22	424.22
Creditors for Capital Goods \ Services	-	-	1.13	1.13
Interest accrued but not due on borrowings	-	-	0.22	0.22
Obligation under Lease Payable	-	-	3.90	3.90
	-	-	804.50	804.50

\*FVTPL, i.e., fair value through profit & loss

\*\*FVTOCI, i.e., fair value through other comprehensive income

**(b) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:**

The Company's principal financial liabilities, other than derivatives, borrowings, comprise trade and other payables and advances from Customers. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The company monitors the risks arising out of long term debt on a regular basis with the help of the treasury team. Further the company may enter into derivatives if the exposure arising out of these risks exceeds significantly.

**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. Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposits with bank/financial institutions.

Interest Rate Risk Exposure:

The Exposure of the company to change in interest rate at the end of reporting periods are as follows:

Particulars	31-03-2022	31-03-2021
<b>Financial Assets</b>		
Fixed Rate FD/Margin Money	96.80	82.22
<b>Financial liabilities</b>		
Variable Rate Borrowings	585.36	257.46
Fixed Rate Borrowings	21.09	19.01
<b>Total</b>	<b>606.45</b>	<b>276.48</b>

**Sensitivity**

Profit & loss is sensitive to higher/lower interest expense from borrowing as a result of change in interest rate

Particulars	Impact on profit	
	31-03-2022	31-03-2021
Interest Rate increase by 100 basis points	(5.85)	(2.57)
Interest Rate decrease by 100 basis points	5.85	2.57

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The company monitors the risks arising out of same on a regular basis with the help of the treasury team. Further the company may enter into derivatives if the exposure arising out of these risks exceeds significantly.

As on period end date, summary of the foreign exposure outstanding is as under.

	As at 31 March 2022		As at 31 March 2021	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
USD	2.78	0.92	0.69	0.92
Equivalent INR	210.61	70.04	50.91	67.73
Euro	-	-	0.33	-
Equivalent INR	-	-	28.79	-

The Company's exposure to foreign currency arises where the company holds monetary assets and liabilities denominated in a currency different to the functional currency, with US dollar & Euro being the non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The results of Company's operations may be affected largely by fluctuations in the exchange rates between the Indian Rupee against the US dollar & Euro. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 10% against the functional currency of the Company.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion in to functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Particulars	Currency	Change in rate	Effect on profit before tax and pre-tax equity
<b>31-Mar-22</b>			
Based on YOY change between FY22 & FY21	USD	+10%	14.06
	USD	-10%	(14.06)
<b>31-Mar-21</b>			
Based on YOY change between FY20 & FY21	USD	+10%	(1.68)
	USD	-10%	1.68
	EUR	+10%	2.88
	EUR	-10%	(2.88)

### Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). Company deals with reputed manufactures hence chances of credit risk is minimized to that extent. Further part portion of the order is taken in advance, hence credit risk is already mitigated to that extent.

As at March 31, 2022	Less than 1 Year	More than 1 Year & less than 3 Year	More than 3 Year
Gross carrying amount	716.80	18.71	3.45
Expected credit losses (Less allowance provision)	(0.16)	(0.20)	(3.45)
Carrying amount of trade receivable (net of loss allowance)	<b>716.64</b>	<b>18.51</b>	<b>0.00</b>

As at March 31, 2021	Less than 1 Year	More than 1 Year & less than 3 Year	More than 3 Year
Gross carrying amount	428.79	22.91	9.98
Expected credit losses (Less allowance provision)	(0.48)	(0.51)	(9.98)
Carrying amount of trade receivable (net of loss allowance)	<b>428.30</b>	<b>22.39</b>	<b>0.00</b>

Reconciliation of loss allowance provision :	Trade Receivables
Loss allowance on 31st March 2021	(10.98)
Changes in loss allowance (Net)	7.17
Loss allowance on 31st March 2022	<b>(3.81)</b>

### Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date for outstanding customers.

### Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

### Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, Letter of Credit and working capital limits.

Particulars	As at March 31, 2022				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non - Current</b>					
Borrowings	-	58.81	83.76	-	142.57
Obligation under Lease Payable	-	2.04	0.29	-	2.33
<b>Current</b>					
Borrowings	543.88	-	-	-	543.88
Trade Payable	334.62	-	-	-	334.62
Creditors for Capital Goods \ Services	0.97	-	-	-	0.97
Interest accrued but not due on borrowings	0.72	-	-	-	0.72
Obligation under Lease Payable	0.84	-	-	-	0.84
<b>Total</b>	<b>881.03</b>	<b>60.85</b>	<b>84.05</b>	<b>-</b>	<b>1,025.93</b>

Particulars	As at March 31, 2021				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
<b>Non - Current</b>					
Borrowings	-	74.67	110.21	-	184.89
Obligation under Lease Payable	-	1.79	1.38	-	3.17
<b>Current</b>					
Borrowings	190.13	-	-	-	190.13
Trade Payable	424.22	-	-	-	424.22
Creditors for Capital Goods \ Services	1.13	-	-	-	1.13
Interest accrued but not due on borrowings	0.22	-	-	-	0.22
Obligation under Lease Payable	0.74	-	-	-	0.74
<b>Total</b>	<b>616.44</b>	<b>76.46</b>	<b>111.59</b>	<b>-</b>	<b>804.50</b>

**VENUS PIPES & TUBES LIMITED**  
**(Formerly known as VENUS PIPES & TUBES PRIVATE LIMITED)**  
**Notes to the Financial Statements**

**32 Disclosure pursuant to Ind AS 12 "Income taxes"**

The major components of income tax expense for the year ended 31 March 2022 and year ended 31 March 2021 :

Particulars	31-Mar-22	31-Mar-21
<b>Profit and (loss) section:</b>		
<b>Current tax :</b>		
Current income tax charge	109.01	79.64
<b>Deferred tax :</b>		
Relating to origination and reversal of temporary differences	3.09	(6.46)
<b>Income tax reported in the statement of profit and loss</b>	<b>112.10</b>	<b>73.18</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:**

Particulars	31-Mar-22	31-Mar-21
Accounting profit before tax from continuing operations	428.78	309.51
Statutory Income Tax Rate	25.17%	25.17%
<b>Tax at Statutory Income Tax Rate</b>	<b>107.91</b>	<b>77.90</b>
<b>Tax Effects of:</b>		
Inadmissible expenses or expenses treated separately	8.15	6.51
Allowable Expense	(7.05)	(6.16)
Current Tax Expense of Earlier Year	-	1.39
Deferred Tax	3.09	(6.46)
<b>Tax as per Statement of Profit and Loss</b>	<b>112.10</b>	<b>73.18</b>

**33 Capital Management**

The Company considers the following components of its Balance Sheet to be managed capital:

1. Total equity – Share Capital, Retained Profit/ (Loss) and Other Equity.
2. Working capital.

The Company manages its capital so as to safeguard its ability to continue as a going concern. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business. The Company's focus is on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the requirement of capital to meet the operational cost of the company from time to time and infuse the capital through sub-ordinate debt, which is classified as other equity.

Summary of quantitative data of the capital of the company	As at March 31, 2022	As at March 31, 2021
Equity - Issued and paid up capital	152.22	87.33
Other Equity -Sub-ordinate debts	1,133.12	311.99
<b>TOTAL</b>	<b>1,285.34</b>	<b>399.31</b>

**34 CSR Expenditure:**

Details of CSR expenditure is as below:

Particulars	2021-22	2020-21
a) Amount unspent for previous years	-	-
b) Gross amount required to be spent by the company during the period	2.75	0.89
<b>Total amount to be spent</b>	<b>2.75</b>	<b>0.89</b>
c) Amount spent during the period:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	2.80	0.94
<b>d) Closing Unspent Amount</b>	<b>-</b>	<b>-</b>

**35 Transition to Ind AS**

The accounting policies set out in Note 1 of have been applied in preparing the financial information for the year ended 31 March 2022 and year ended 31 March 2021. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019.

**36 Other Notes****36.1 Contingent Liabilities**

Particulars		31-Mar-22	31-Mar-21
		Rs in mn	Rs in mn
A	Direct Tax TDS Demand	-	1.14
B	Duty on Import against Advance licenses for Export obligation	260.31	270.40

**36.2 Significant events that have occurred during the current reporting period i.e. FY 2021-22 :-**

i) Company has increased authorized capital from Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore ) Equity shares of Rs. 10/- each to Rs. 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity shares of Rs. 10/- each vide resolution dated August 16, 2021. Further, the company has increased authorized capital from 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity shares of Rs. 10/- each to Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity shares of Rs. 10/- each vide resolution dated October 19, 2021.

ii) Company had issued and allotted 43,66,350 (Forty Three Lakh Sixty Six Thousand Three Hundred and Fifty) bonus equity shares in the ratio of 0.5:1 bonus share of face value of Rs 10 each held by the member as on September 10, 2021, as approved by the members at the Annual general meeting held on 10th, September, 2021. All shares are fully issued (No shares are allotted in Fraction). The bonus has been issued on September 10, 2021 by capitalizing the sum of Rs 4,36,63,500/- ( Four Crores Thirty Six Lakhs Sixty three Thousand and Five Hundred only) from and out of free reserve. In term of IND AS -33 , Earning per share of previous periods have been adjusted for bonus shares issued in current financial year.

iii) The Board of Directors and the shareholders in the meeting held on October 21, 2021 and October 19, 2021 respectively have approved to offer and issue up to 21,22,960 (Twenty One Lakh Twenty Two Thousand Nine Hundred Sixty) Equity Shares at a premium of Rs.270/- each aggregating upto Rs.59,44,28,800/- (Rupees Fifty Nine Crore Forty Four Lakhs Twenty Eight Thousand and Eight Hundred Only) on a private placement basis.

**36.3** The Company has issued new 5,074,100 Equity Shares of Rs. 10 each @ Rs. 326 per share (Rs. 316 per share being the Share Premium) as fresh Issue of shares being part of the Initial Public Offer (IPO). The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on May 24, 2022.

**36.4** The Company has taken portion of factory land under operating lease or rental agreements. Effective 1st April, 2019, the company has adopted Ind AS 116 and applied to its leases, retrospectively, with the cumulative effect of initially applying the standard on the date of initial application (April 01, 2019). Accordingly, the Company has not restated comparative information and recognized right-of-use assets at an amount equal to the lease liability. Refer Note 2 for details of right-of-use assets and Note 14.1 for details of Lease Liability. Interest on lease liability ₹ **0.46 Million** in FY 2021-22 & ₹ **0.55 Million** in FY 2020-21 has been included in Finance Costs and depreciation on right-of-use assets has been included in Depreciation and amortization expense for the period.

**36.5 Segment information****(a) Description of segment**

The board of directors of the company is identified as chief operating decision maker (CODM) monitors the operating result of the company. CODM has identified only one reportable segment as the company involved in manufacturing \ trading of Pipes, tubes & steel. The operations of the Company are located in India.

**(b) Information about geographical areas****(i) Revenue from External Customers**

Particulars	31-Mar-22	31-Mar-21
India	3465.04	2945.36
Outside India	404.48	147.95
	<u>3869.52</u>	<u>3093.31</u>

Revenue from external customer is allocated based on the location of customers.

**(ii) Non-current Assets**

Particulars	31-Mar-22	31-Mar-21
India	287.15	195.96
Outside India	-	-
	<u>287.15</u>	<u>195.96</u>

Non-current assets include property, plant and equipment, capital work in progress, intangible assets, Rou Assets. It is allocated based on the geographic location of the respective assets.

**36.6** "The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to limit their operations. Measures taken to contain the spread of the virus, have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The impact of covid-19 may be different from than estimated as at the date of approval of these financial results and the company will continue to closely monitor the developments. Though a definitive assessment of the impact is not possible in view of the high uncertain economic environment and the scenario is still evolving.

In assessing the recoverability of Company's assets such as Investments, Loans, Trade receivable, Loans and Advances, Inventories etc. the Company has considered internal and external information upto the date of approval of these financial results. The company has performed sensitivity analysis on the assumptions used basis the internal and external information / indicators of future economic conditions and expects to recover the carrying amount of the assets. The duration and impact of the COVID-19 pandemic remains unclear at present as on book closure date. Hence, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. However, management does not see any risks in the Company's ability to continue as a going concern."

**36.7** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**36.8** Company has not granted any loans or advances in the nature of Loans to Promoters, Directors, KMPs and other related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.

**36.9** Balances of Sundry Creditors, Sundry debtors, Loans & advances, etc. are subject to confirmation and reconciliation, if any.

**36.10** Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April 2021.

**36.11** The Company has decided to opt for the new tax regime announced by the Government of India and avail of the benefit of Section 115BAA of the Income Tax Act from F.Y. 2019-20.

**36.12** In the opinion of Board of Directors; Current Assets, Loans & Advances (Including Capital Advances) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, Adequate Provisions have been made in the accounts for all the known liabilities.

**For Maheshwari & Co**  
Chartered Accountants  
Firm Reg. No.: 105834W

For and on behalf of the Board of Directors of  
**Venus Pipes & Tubes Limited**

**Sd/-**  
**Ramesh Totla**  
Partner  
Membership No. : 416169  
Place: Surat  
Date: 29.06.2022

**Sd/-**  
**Mr. Megharam S Choudhary**  
Director  
Din: 02617107

**Sd/-**  
**Mr. Dhruv M Patel**  
Director  
Din: 07098080

**Sd/-**  
**Mr. Arun Kothari**  
(MD & CFO)  
Din: 00926613  
Place: Gandhidham  
Date: 29.06.2022

**Sd/-**  
**Mr. Pavan Jain**  
(Company Secretary)  
Membership No: A66752  
Place: Gandhidham  
Date: 29.06.2022



**Venus Pipes and Tubes Limited**

(Formerly Known as Venus Pipes and Tubes Private Limited)

CIN- U74140GJ2015PLC082306

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