



# The Indian Hume Pipe Co. Ltd.

Registered Office : Construction House, 5, Walchand Hirachand Road, Ballard Estate, Mumbai - 400 001. INDIA  
Tel. : +91-22-22618091, +91-22-40748181 • Fax : +91-22-22656863 • E-mail : info@indianhumpipe.com • Visit us at : www.indianhumpipe.com  
CIN : L51500MH1926PLC001255

HP/SEC/

11<sup>th</sup> July, 2023

1. BSE Ltd.  
Corporate Relationship Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P. J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001
2. National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai - 400 051

Dear Sirs,

Sub.: Annual Report under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

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We request to refer our letter dated 19<sup>th</sup> June, 2023 wherein the Company had informed that the 97<sup>th</sup> Annual General Meeting ('AGM') of the Company will be held on Thursday, 3<sup>rd</sup> August, 2023 at 2.30 p.m. (IST) through Video Conference / Other Audio Visual Means.

Pursuant to Regulation 34(1) of the Listing Regulations, we are submitting herewith the soft copy of Annual Report of the Company along with the Notice of the 97<sup>th</sup> AGM and other Statutory Reports for the Financial Year 2022-23 which is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/ Depositories.

The same is also available on the website of the Company at [http://www.indianhumpipe.com/portals/0/images/pdf/annual\\_report/ihpar2223.pdf](http://www.indianhumpipe.com/portals/0/images/pdf/annual_report/ihpar2223.pdf).

Please take the above on record.

Thanking you,



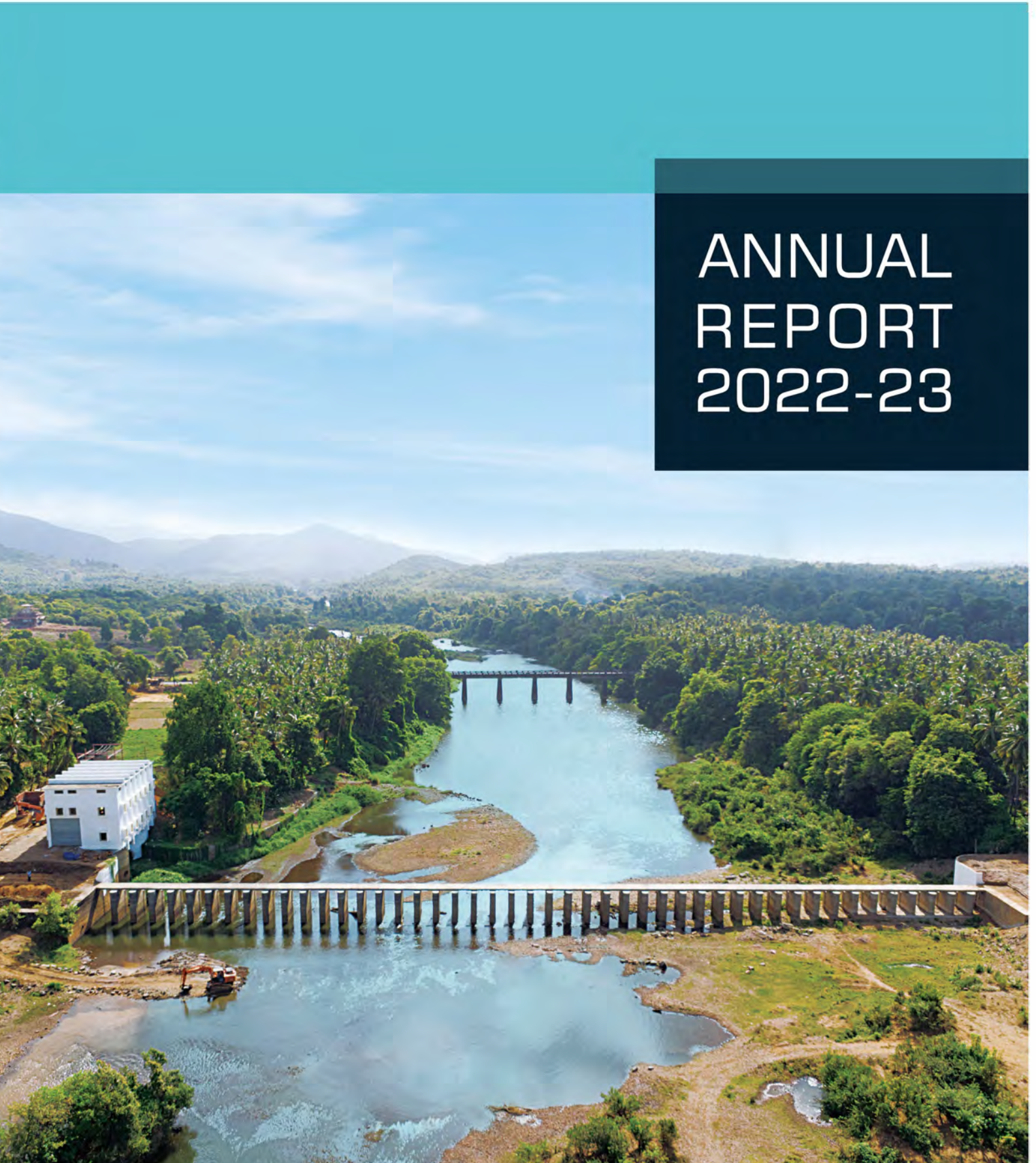
Yours faithfully,  
For The Indian Hume Pipe Company Limited,

S. M. Mandke  
Vice President - Company Secretary  
FCS 2723



**Indian Hume Pipe**

**ANNUAL  
REPORT  
2022-23**





|   |  |  |
|---|--|--|
| <b>Board of Directors</b>                     | Mr. Rajas R. Doshi<br>Mr. Mayur R. Doshi<br>Ms. Jyoti R. Doshi<br>Ms. Anima B. Kapadia<br>Mr. Rajendra M. Gandhi<br>Mr. Rameshwar D. Sarda (Upto 3 <sup>rd</sup> August, 2023)<br>Mr. Vijay Kumar Jatia<br>Ms. Sucheta N. Shah<br>Mr. Nandan Damani (w.e.f. 1 <sup>st</sup> August, 2023)          | <b>: Chairman &amp; Managing Director</b><br><b>: Executive Director</b><br><b>: Non-Executive Director</b><br><b>: Non-Executive Director</b><br><b>: Independent Director</b><br><b>: Independent Director</b><br><b>: Independent Director</b><br><b>: Independent Director</b>   |
| <b>Vice President -<br/>Company Secretary</b> | Mr. S. M. Mandke   |  |
| <b>Vice President - CFO</b>                   | Mr. M. S. Rajadhyaksha   |  |
| <b>Executives</b>                             | Mr. G. Pundareekam<br>Mr. Ajay Asthana<br>Mr. D. H. Argade<br>Mr. Shashank J. Shah<br>Mr. Avinash Desai<br>Mr. C. Unnikrishnan<br>Mr. S. Arunachalam<br>Mr. M. N. Gawade<br>Mr. S.G. Chavan  | <b>: Vice President</b><br><b>: Vice President</b><br><b>: Sr. General Manager</b><br><b>: Sr. General Manager</b><br><b>: Sr. General Manager - HR</b><br><b>: Sr. General Manager - IT</b><br><b>: General Manager</b><br><b>: General Manager - Internal Audit</b><br><b>: General Manager - Purchase</b>   |
| <b>Auditors</b>                               | M/s. K. S. AIYAR & CO., Chartered Accountants,<br>F-7, Laxmi Mills, Shakti Mills Lane,<br>(Off. Dr. E. Moses Road), Mahalaxmi, Mumbai - 400011   |  |
| <b>Solicitors</b>                             | M/s. Daphtary Ferreira & Divan<br>M/s. Argus Partners  |  |
| <b>Bankers</b>                                | State Bank of India<br>Bank of Baroda<br>HDFC Bank Ltd.<br>Union Bank of India   | IDFC First Bank Ltd.<br>ICICI Bank Ltd.<br>AXIS Bank Ltd.  |
| <b>Registrar and Transfer Agent</b>           | M/s. Link Intime India Pvt. Ltd.<br>C-101, 247 Park, L. B. S. Marg, Vikhroli (W),<br>Mumbai - 400 083<br>Tel No. : 022-49186270<br>Fax No. : 022-49186060<br>email : rnt.helpdesk@linkintime.co.in   | <b>Contents</b>  |
| <b>Registered Office</b>                      | Construction House, 2 <sup>nd</sup> Floor,<br>5, Walchand Hirachand Road,<br>Ballard Estate, Mumbai - 400 001<br>Tel No. : 022-22618091 / 92<br>: 022-40748181<br>Fax No. : 022-22656863<br>email : info@indianhumepipe.com<br>Website : www.indianhumepipe.com<br>CIN No. : L51500MH1926PLC001255 | Notice 02<br>Management Discussion and Analysis Report 18<br>Board's Report 28<br>Secretarial Auditors' Report 38<br>Corporate Governance Report 42<br>Auditors Certificate on Corporate Governance 55<br>Business Responsibility & Sustainability Report 56<br>Independent Auditor's Report 76<br>Balance Sheet 84<br>Statement of Profit and Loss 85<br>Cash Flow Statement 86<br>Statement of Changes in Equity 87<br>Notes to Financial Statement 88<br>Important Financial Statistics 131 |
| <b>Annual General Meeting</b>                 | Thursday, 3 <sup>rd</sup> August, 2023, at 2.30 p.m. (IST)<br>Through Video Conferencing ("VC") /<br>Other Audio Visual Means ("OAVM")   |  |

## NOTICE

NOTICE is hereby given that the NINETY-SEVENTH ANNUAL GENERAL MEETING of the Company will be held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") as scheduled below to transact the following business:-

DAY : Thursday  
DATE : 3<sup>rd</sup> August, 2023  
TIME : 2.30 PM. (IST)

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2023 and the Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares of the Company for the financial year ended 31<sup>st</sup> March, 2023.
3. To appoint a Director in place of Ms. Anima B. Kapadia (DIN: 00095831), who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS:

4. **Re-appointment of Mr. Rajas R. Doshi (DIN: 00050594) as Managing Director of the Company.**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) the relevant provisions of the Articles of Association of the Company, recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Rajas R. Doshi (DIN: 00050594) as the Managing Director designated as Chairman & Managing Director of the Company for a further period of 4 (Four) years with effect from 1<sup>st</sup> July, 2023 to 30<sup>th</sup> June, 2027 on the remuneration, perquisites and allowances and on other terms and conditions (including the remuneration to be paid in the event of no profits or inadequate profits in any financial year during the aforesaid period) as set out in the draft Agreement to be entered into between the Company and Mr. Rajas R. Doshi, a copy whereof initialled by a Director of the Company for the purpose of identification is placed before this meeting which draft agreement is hereby specifically approved with liberty and power/authority to the Board of Directors (including the Nomination and Remuneration Committee) to increase, revise, amend, alter or vary the terms of the remuneration, perquisites and allowances including monetary value thereof as set out in the Agreement at any time and from time to time and in such manner as the Board of Directors may deem fit and as may be agreed to between the Board and Mr. Rajas R. Doshi so as not to exceed the maximum limit for the payment of remuneration as per applicable provisions including Schedule V of the Companies Act, 2013 (the Act) or any re-enactment / amendment to the Act, but however that such remuneration will exceed the limit of annual remuneration of ₹ 5 Crore or 2.50% of the net profits of the Company, whichever is higher

where there is one such Managing Director / Whole-time Director (Executive Director) or 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2018.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) the relevant provisions of the Articles of Association of the Company and subject to such other approvals, as may be necessary, the consent of the Members, be and is hereby accorded for continuation of the term of re-appointment of Mr. Rajas R. Doshi as the Managing Director of the Company even on attaining the age of seventy years by him on above terms & conditions up to the tenure ending on 30<sup>th</sup> June, 2027.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors (including the Nomination and Remuneration Committee) be and are hereby authorised to do all acts, deeds, matters and things as the Board of Directors (including the Nomination and Remuneration Committee) may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

5. **Appointment of Mr. Nandan Damani as an Independent Non-Executive Director of the Company.**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT Mr. Nandan Damani (DIN: 00058396), who is eligible for appointment and who has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, as an additional Director (Non-Executive, Independent Director) of the Company with effect from 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028, consent of the members be and is hereby accorded in terms of Section 161 of the Companies Act, 2013 ("Act") read with the Articles of Association of the Company be and is hereby appointed as an additional Director (Non-Executive, Independent Director) of the Company, with effect from 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028 pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in terms of Section 161 of the Companies Act, 2013 ("Act") read with the Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, provisions of Articles of Association of the Company, recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, consent of the members be and is hereby accorded to the appointment of Mr. Nandan Damani (70 years) who meets the



## NOTICE

criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as a Non-Executive Independent Director of the Company for the first term from 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028 be and is hereby approved and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI Listing Regulations and other applicable provisions of the Act and relevant Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and as recommended by the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the members be and is hereby accorded to Mr. Nandan Damani (DIN: 00058396) for continuation of his directorship as the Non-Executive Independent Director of the Company even on attaining the age of 75 years but up to his proposed tenure from 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028.

**RESOLVED Further THAT** the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

### 6. Payment of commission to Non-Executive Directors.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 197, 198 and all other applicable provisions of the Companies Act, 2013 (the Act) including any statutory modification(s), amendment(s) or re-enactment thereof, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company and in furtherance of Special Resolution passed by the Members at the Annual General Meeting held on 4<sup>th</sup> September, 2020, the consent of the Members be and is hereby accorded for payment of commission to all the Non-Executive Directors of the Company for a further period of 3 (three) years commencing from the financial year 2023-24 to 2025-26 as may be decided by the Board from time to time, provided that the total commission payable to all the Non- Executive Directors for each financial year shall not exceed the limit laid down under the Companies Act, 2013 for that financial year as computed in the manner specified under Section 198 of the Act or an amount not exceeding ₹ 65 Lakhs in aggregate, whichever is less, with authority to the Board to determine the manner and proportion in which the amount to be distributed among the Non-Executive Directors.”

### 7. Ratification of remuneration to Cost Auditor for the Financial Year 2023-24.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148, Rules thereunder and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any amendments thereto or any statutory modification(s) or re-enactment thereof, for the time being in force) and as recommended by the Audit Committee and approved by the Board of Directors of the Company, the remuneration payable to Mr. Subodh C. Mawalankar, Cost Accountant, Membership No. 9041 as Cost Auditor to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2024 of ₹ 1,20,000/- (Rupees One Lakh Twenty Thousand only) per annum, to be paid as

also the payment of GST as applicable and reimbursement of out of pocket expenses and / or travelling expenses incurred by him in connection with the aforesaid cost audit be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be necessary, proper or expedient for giving effect to the above resolution.”

### 8. Appointment of Branch Auditors.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Board be and is hereby authorised to appoint Branch Auditors in any States/Union Territories of India for auditing accounts of branches of the Company whether existing or which may be opened/acquired hereafter for the financial year 2023-24 and to fix their remuneration on such terms and conditions, as they may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable and expedient to give effect to this resolution.”

By Order of the Board of Directors,  
For The Indian Hume Pipe Co. Ltd.

**S. M. Mandke**  
Vice President- Company Secretary

### Registered Office:

Construction House, 2<sup>nd</sup> Floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001  
Tel No. : 022-22618091 / 92, 40748181  
Fax No. : 022-22656863  
email : info@indianhumpipe.com  
Website : www.indianhumpipe.com  
CIN No. : L51500MH1926PLC001255

Date : 19<sup>th</sup> June, 2023

### NOTES:-

#### 1. General instructions for accessing and participating in the 97<sup>th</sup> Annual General Meeting (“AGM”) through VC/OAVM Facility and voting through electronic means including remote e-Voting:-

- The Ministry of Corporate Affairs (‘MCA’) vide its General Circular No.14/2020 dated 8<sup>th</sup> April, 2020, General Circular No.17/2020 dated 13<sup>th</sup> April, 2020, General Circular No.20/2020 dated 5<sup>th</sup> May, 2020, General Circular No.22/2020 dated 15<sup>th</sup> June, 2020, General Circular No.33/2020 dated 28<sup>th</sup> September, 2020, General Circular No.39/2020 dated 31<sup>st</sup> December, 2020, General Circular No.02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021, General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 and General Circular No.11/2022 dated 28<sup>th</sup> December, 2022 and all other relevant circulars issued from

## NOTICE

- time to time, allowed companies whose AGMs are due in the year, 2023, to conduct their AGMs on or before 30.09.2023, in accordance with the requirements laid down in Para 3 and 4 of the General Circular No.20/2020 dated 5<sup>th</sup> May, 2020 (collectively "MCA Circulars") and The Securities and Exchange Board of India ("SEBI") also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2020/79 dated 12<sup>th</sup> May 2020 the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/ 2021/11 dated January 15, 2021 and subsequently extended upto December 31, 2022, vide SEBI circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022. Further SEBI vide Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 has given relaxation upto September 30, 2023 ("SEBI Circular"). In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 97<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 97<sup>th</sup> AGM shall be the Registered Office of the Company.
- b. **Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.** However, in terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 97<sup>th</sup> AGM. Hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- c. In pursuance of Section 112 and Section 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 97<sup>th</sup> AGM through VC/OAVM Facility and e-Voting during the 97<sup>th</sup> AGM. Institutional / Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative(s) to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to jhr@jhrasso.com with a copy marked to evoting@nsdl.co.in.
- d. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of 97<sup>th</sup> AGM along with the Annual Report 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ DPs. The Company will send hard copy of full Annual Report 2022-23 to those shareholders who requested for the same. Members may note that this Notice and Annual Report 2022-23 will also be available on the Company's website, [www.indianhumepipe.com](http://www.indianhumepipe.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 NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- e. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- f. The Company has engaged National Securities Depository Limited ("NSDL") which is providing facility for voting through remote e-Voting, for participation in the 97<sup>th</sup> AGM through VC/OAVM Facility and e-Voting during the 97<sup>th</sup> AGM.
- g. Members may join the 97<sup>th</sup> AGM through VC/OAVM facility. For joining the 97<sup>th</sup> AGM through VC/OAVM the facility shall open 30 minutes before the time scheduled for the AGM i.e. at 2.00 p.m. (IST). The facility for joining AGM will be closed on expiry of 30 minutes from the scheduled time of the 97<sup>th</sup> AGM i.e. at 3.00 p.m. (IST).
- h. Members may note that the VC/OAVM facility, provided by NSDL, allows participation of at least 1,000 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 and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 97<sup>th</sup> AGM without any restriction on account of first-come-first-served principle.
- i. Attendance of the Members participating in the 97<sup>th</sup> AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- j. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 97<sup>th</sup> AGM and facility for those Members participating in the 97<sup>th</sup> AGM to cast vote through e-Voting system during the 97<sup>th</sup> AGM.
- k. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all material facts concerning the business under Item No.4 to 8 of the accompanying Notice is annexed hereto.
- l. The Board of Directors of the Company at their meeting held on 19<sup>th</sup> June, 2023 considered that the special business under Item No. 4 to 8, being considered unavoidable, be transacted at the 97<sup>th</sup> AGM of the Company.
- m. Members who would like to express their views/ask questions as a speaker at the 97<sup>th</sup> AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investors@indianhumepipe.com](mailto:investors@indianhumepipe.com) between Tuesday 25<sup>th</sup> July, 2023 (9.00 a.m. IST) to Friday, 28<sup>th</sup> July, 2023 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves its right to restrict the number of speakers depending on the availability of time for the AGM.
- n. Members who wish to seek information on accounts and Annual Report 2022-23 may send their questions/queries in advance to the Company mentioning their name, DP-ID and Client-ID/Folio No, PAN, Mobile Number at [investors@indianhumepipe.com](mailto:investors@indianhumepipe.com) upto Friday 28<sup>th</sup> July, 2023



## NOTICE

(5.00 p.m. IST). The questions/ queries will be suitably replied by the Company to the extent possible or to the registered email id of the Shareholders.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 22<sup>nd</sup> July, 2023 to Thursday, 3<sup>rd</sup> August, 2023 (both days inclusive) for the purpose of holding 97<sup>th</sup> Annual General Meeting.
3. The Dividend of ₹ 1/- per equity share of ₹ 2/- each (50%) for the financial year ended 31<sup>st</sup> March, 2023 (if declared by the shareholders at the ensuing Annual General Meeting) subject to tax deduction at source will be paid on or after 8<sup>th</sup> August, 2023 to those Members whose names appear in the Register of Members of the Company as on the Book Closure date of 22<sup>nd</sup> July, 2023.

Shareholders who hold Shares in dematerialised form may please note that as advised by the Securities and Exchange Board of India, the Company will mandatorily print the Shareholder(s) Bank Account details as furnished by the respective Depositories to the Company on the dividend warrants.

In order to avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment of dividend warrants, the shareholders are advised to avail of ECS/ NECS facility, whereby the dividend amount will be directly credited to their respective Bank Accounts electronically. This will also ensure speedier credit of dividend. You may write to the Company's Registrar & Share Transfer Agent or your Depository Participants to avail benefit of this service / facility.

Members holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/ documents to the Company at [investors@indianhumepipe.com](mailto:investors@indianhumepipe.com) latest by 20<sup>th</sup> July, 2023.

- a. a signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
  - i) Name and Branch of Bank and Bank Account type;
  - ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions; and
  - iii) 11-digit IFSC Code.
- b. self attested scanned copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
- c. self attested scanned copy of the PAN Card; and
- d. self attested scanned copy of any document (such as Aadhar Card, Driving License, Election Identity Card, Passport) in support of the address of the member, as registered with the Company.

For the members holding shares in demat mode, please update your Bank details through your Depository Participant(s).

4. Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are

interested, maintained under Section 189 of the Act, will be open and accessible electronically for inspection during the continuance of the 97<sup>th</sup> AGM to any person attending the meeting. All documents referred to in the Notice will also be available for electronic inspection without any fees by the Members from the date of circulation of this Notice up to the date of AGM i.e. Thursday, 3<sup>rd</sup> August, 2023. Members may write to the Company at [investors@indianhumepipe.com](mailto:investors@indianhumepipe.com) in this regard by mentioning "Request for Inspection" in the subject of the email.

Documents referred to in the accompanying Notice of the 97<sup>th</sup> AGM and the Explanatory Statement shall be available at the Registered Office of the Company for inspection without any fee during normal business hours (10:00 A.M. to 5:30 P.M.) on all working days except Saturday & Sunday, up to and including the date of the 97<sup>th</sup> AGM of the Company.

5. Members holding shares in Physical mode are requested to demat their shares in order to reap the advantages of holding their shares in electronic form like no risk of loss of share certificate, transfer form, speedier share transfer, no stamp duty on transfer of shares etc.

Members are aware that the Company's Shares are compulsorily traded in electronic form only. Presently 99.09% of shares are in demat mode.

Therefore, Members holding shares in physical form are requested and encouraged to consider converting their holding in dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Share Department of the Company or M/s. Link Intime India Pvt. Ltd., Registrar Transfer Agent for assistance in this regard.

The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, M/s. Link Intime India Pvt. Ltd, at C -101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083, Telephone No: 022-49186270 email id [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The forms for updating the same are available at <http://www.indianhumepipe.com/AboutUs/Investors/DownloadForms.aspx>

Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP.

In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 or link their PAN with Aadhaar upto June 30, 2023, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

6. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company on or after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment



## NOTICE

of dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For **Resident shareholders**, taxes shall be deducted at source under Section 194 of the IT Act as follows, Members having valid PAN @10% or as notified by the Government of India. Members not having valid PAN @20% or as notified by the Government of India.

For Shareholders who are identified as “Specified Persons” under Sec 206AB of the Act, higher tax rate as applicable would be deducted if,

- i) Shareholder has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in which tax is required to be deducted/ collected. Two previous years for FY 2023-24 would be FY 2020-21 and FY 2021-22.
- ii) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

For the purpose of TDS, Company will verify the status (i.e., Specified Person or not) from the Government enabled online facility and deduct TDS accordingly.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2023-24 does not exceed ₹ 5,000 and also in cases where members provide Form 15G (applicable to an individual below the age of 60 years) / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document/certificate as prescribed under the IT Act to claim a lower /Nil withholding tax. Registered members may also submit any other document/certificate as prescribed under the IT Act to claim a lower /Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document/certificate as mentioned above.

For **Non-resident shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following : • Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member • Copy of Tax Residency Certificate (TRC) for the FY 2023-24 obtained from the revenue authorities of the country of tax residence, duly attested by member • Self-declaration in Form 10F • Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty • Self-declaration of beneficial ownership by the non-resident shareholder • Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member. In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess). The aforementioned documents are required to be sent by email to [ihpttaxexemption@linkintime.co.in](mailto:ihpttaxexemption@linkintime.co.in)

7. To support the “GREEN INITIATIVE” of the Government & SEBI and enable the Company to send Annual Reports, Notices, documents, communications and dividend payment intimation to the Members through Email ids and to facilitate receiving of dividend to the Bank account of the Members through ECS/NECS, the members holding shares in physical form are requested to register/ update their Email Ids and Bank details by downloading the Shareholder Information Form from the Company’s website [www.indianhumepipe.com](http://www.indianhumepipe.com) in “Investors – download forms” and submit the same to Registrar & Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. The Shareholders holding shares in demat mode are requested to register/update their Email Ids and Bank details with their Depository Participants.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to M/s. Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of the Company in case the shares are held by them in physical form.
9. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them in physical form. Members desirous of making nominations may obtain the prescribed form from the Registrar & Share Transfer Agents, M/s. Link Intime India Pvt. Ltd or may download from the Company’s website [www.indianhumepipe.com](http://www.indianhumepipe.com).
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or M/s. Link Intime India Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
11. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the Meeting, if not already voted through remote e-voting.
12. Members wishing to claim dividends, which remain unclaimed for financial year 2016-17 and onwards are requested to contact M/s. Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of the Company at C -101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083, Telephone No: 022-49186270 email id [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The due date of transfer of unpaid/ unclaimed for F. Y. 2016-17 is 15.03.2024. Members are requested to note that dividends not claimed for seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF).

The unpaid/ unclaimed dividend for the following financial years is due for transfer to IEPF on the following respective due dates:

| Financial year | Date of declaration of Dividend | Date of Payment of Dividend | Due date of Transfer to IEPF |
|----------------|---------------------------------|-----------------------------|------------------------------|
| 2016-17        | 08-02-2017 (Interim)            | 21-02-2017                  | 15-03-2024                   |
| 2016-17        | 10-07-2017 (Final)              | 12-07-2017                  | 14-08-2024                   |
| 2017-18        | 20-07-2018                      | 24-07-2018                  | 24-08-2025                   |
| 2018-19        | 26-07-2019                      | 31-07-2019                  | 31-08-2026                   |
| 2019-20        | 04-09-2020                      | 08-09-2020                  | 10-10-2027                   |
| 2020-21        | 26-08-2021                      | 31-08-2021                  | 01-10-2028                   |
| 2021-22        | 28-07-2022                      | 02-08-2022                  | 02-09-2029                   |



## NOTICE

As per Section 124(6) of the Act read with the IEPF Rules as amended, all the underlying shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority.

Accordingly, during the Financial year 2022-23 the Company had transferred 72,493 shares to the demat account of IEPF. The members are requested to claim their shares and unclaimed dividend from IEPF authority as per procedure set out in the IEPF Rules.

The Shareholders who have not claimed their dividend for seven consecutive years from Financial Year 2016-17 onwards are requested to claim the dividend on or before 15<sup>th</sup> March, 2024. The details of unclaimed dividend of the concerned Shareholders is posted on the website of the Company at [www.indianhumepipe.com](http://www.indianhumepipe.com) in "Investors-Unpaid dividend". In case the dividends are not claimed by the said date, necessary steps will be initiated by the Company to transfer these shares held by the members to IEPF Authority without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

13. Members may note that the Notice and Annual Report 2022-23 will be available on the Company's website [www.indianhumepipe.com](http://www.indianhumepipe.com) and 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 NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

14. As per provisions of Section 152 of the Companies Act, 2013, Ms. Anima B. Kapadia, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

A brief profile is given below in respect of a Director retiring by rotation at ensuing Annual General Meeting of the Company.

Ms. Anima B. Kapadia (71) is B.A. L.L.B from University of Mumbai. She is associated with the Company as Non-Executive Director since 2001. She is Solicitor & Advocate and Sole Proprietor of M/s. Daphtary Ferreira & Divan, Mumbai which firm was established around 1893. M/s. Daphtary Ferreira & Divan is one of the Solicitors to the Company. She is also a Director on the Boards of B. A. & Bros. (ESTN) Limited, Kolkata. She is a Chairperson of the Stakeholders Relationship Committee. Ms. Anima Kapadia holds 1660 Shares of the Company. She is not related to any Directors of the Company.

Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard No. 2 on General Meetings in respect of Directors seeking appointment / re-appointment at the Annual General Meeting is provided in the Explanatory Statement to the AGM Notice.

15. There are four Independent Directors on the Board of the Company viz., Mr. Rajendra M. Gandhi, Mr. Rameshwar D. Sarda, Mr. Vijay Kumar Jatia and Ms. Sucheta N. Shah. Mr. Nandan Damani is appointed as an Independent Director w.e.f. 1<sup>st</sup> August, 2023. The Company has received declarations from all the Independent Directors stating that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013. The Board of Directors of the Company, after reviewing the declarations

submitted by the above Independent Directors is of the opinion that the said Directors meet the criteria of independence as per Section 149(6) of the Companies Act, 2013 and the rules thereunder and also meet the requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for being appointed as Independent Directors on the Board of the Company and are also independent of the management.

16. In terms of section 101 and 136 of the Companies Act, 2013 read with the rules thereunder and SEBI (LODR), 2015 and relaxation given by MCA and SEBI, the copy of Annual Report for 2022-23 including Audited Financial Statements, Board's report etc. and this Notice of 97<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting is being sent by email to all those members whose email ids are registered with their respective depository participants/with the Company.
17. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities market. Accordingly, members holding shares in electronic form are requested to submit their self-attested copy of PAN to their respective Depository Participants. Members holding shares in physical form should submit their self-attested copy of PAN to the Company or to RTA.
18. Non-Resident Indian Members are requested to write to M/s. Link Intime India Pvt. Ltd., immediately for change in their residential status on return to India for permanent settlement.
19. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Sunday, 30<sup>th</sup> July, 2023 at (9:00 a.m. IST) and ends on Wednesday, 2<sup>nd</sup> August, 2023 at (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 27<sup>th</sup> July, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 27<sup>th</sup> July, 2023.**

### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:




#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

## NOTICE

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

| Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL.                                    | <ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div> |
| Individual Shareholders holding securities in demat mode with CDSL.                                    | <ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>  |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.   |

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



## NOTICE

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-48867000 and 022-24997000           |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

### B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

#### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:  |
|--|---|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.  |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

#### Step 2: Cast your vote electronically on NSDL e-Voting system.

#### How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home Page of e-Voting. Click on E- Voting . Then , click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies " EVEN" in which you are holding shares and whose voting cycle is in active status.

## NOTICE

3. Select "EVEN" of The Indian Hume Pipe Company Limited.  
Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 022-48867000 and 022-24997000 or send a request to Mr. Amit Vishal, Senior Manager – NSDL at [amitv@nsdl.co](mailto:amitv@nsdl.co) or at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Registrar and Transfer Agents of the Company "Link Intime India Private Limited (LIPL)" at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Registrar and Transfer Agents of the Company "Link Intime India Private Limited (LIPL)" at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. The Board of Directors has appointed Mr. J. H. Ranade Membership No.F 4317 & Certificate of Practice No.2520 or failing him Mr. Sohan J. Ranade Membership No. A 33416 & Certificate of Practice No.12520 or failing him Ms. Tejaswi P. Jugal, Membership No. A 29608 & Certificate of Practice No.14839 (any one of them), Partners of JHR & Associates, Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
6. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
7. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. **Thursday, 27<sup>th</sup> July, 2023**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot



## NOTICE

your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. **Thursday 27<sup>th</sup> July, 2023** may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

### Other information:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 2 working days from the conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman and Managing Director or a person authorised by him in writing, who shall countersign the same.
2. The results of the electronic voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer’s Report shall also be placed on the website of the Company ([www.indianhumepipe.com](http://www.indianhumepipe.com)) and on the website of NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) immediately. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
3. As per the provisions of Section 72 of the Act, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH.13 with Company’s RTA. In respect of shares held in dematerialize form, the nomination may be filed with the respective Depository Participants.
4. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Link Intime (India) Private Limited (LIPL) for assistance in this regard.
5. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / LIPL (RTA).
6. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company’s records which will help the Company and the Company’s Registrar LIPL. Members holding shares in physical form are requested to intimate such changes to the Company’s RTA.

By Order of the Board of Directors,  
For The Indian Hume Pipe Co. Ltd.

**S. M. Mandke**  
Vice President- Company Secretary

### Registered Office:

Construction House, 2<sup>nd</sup> Floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date : 19<sup>th</sup> June, 2023

## NOTICE

### **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 4**

The members at the 92<sup>nd</sup> Annual General Meeting of the Company held on 20<sup>th</sup> July, 2018 had re-appointed Mr. Rajas R. Doshi as the Chairman & Managing Director of the Company and approved the terms of remuneration, for a period of 5 years with effect from 1<sup>st</sup> July, 2018 to 30<sup>th</sup> June, 2023.

Mr. Rajas R. Doshi (71) B.E.Civil had joined the Company in 1981 as Senior Executive at its factory at Wadala, Mumbai. Thereafter he served the Company in varied capacities of Chief Engineer, General Manager and was appointed Joint Managing Director on 1<sup>st</sup> July, 1988. He was appointed as Chairman & Managing Director of Company on 14<sup>th</sup> April, 1994.

Mr. Rajas R. Doshi has a rich and varied exposure and experience of over 48 years in Business Management, Manufacturing, Construction Project Execution, Marketing and Sales concerning the businesses of the Company. His immense contribution to the sustained growth of the Company and shouldering of multi-faceted responsibilities has benefited the Company from time to time. Further under his leadership the turnover of the Company has steadily increased and the net profits witness manifold increase.

Mr. Rajas R. Doshi holds 7,05,572 shares (including shares held under HUF and under Walchand Trust and 2,96,422 equity shares allotted by the Board on preferential basis on 19<sup>th</sup> June, 2023) in the Company.

The Nomination and Remuneration Committee ("NRC") and Board of Directors have considered reduction in his existing basic salary amount from ₹ 19 Lakh to ₹ 15 Lakh (reduction of about 21%) and proposed lower annual increment slab of ₹ 1 Lakh per annum instead of present annual increment slab of ₹ 1.50 Lakh per annum (reduction of about 33%) in the proposed remuneration for further term of 4 years w.e.f. 1<sup>st</sup> July, 2023 to 30<sup>th</sup> June, 2027 considering evolving and challenging times posed by Covid-19 effect.

Taking into consideration the duties and responsibilities of the Chairman & Managing Director the prevailing managerial remuneration in the Industry, the Board on the recommendation of the Nomination and Remuneration Committee has re-appointed Mr. Rajas R. Doshi as Chairman & Managing Director and approved the terms & conditions of re-appointment and payment of remuneration, perquisites & allowances and commission to be paid to him from 1<sup>st</sup> July, 2023 to 30<sup>th</sup> June, 2027 as given hereunder subject to approval of the Shareholders:

**A. Name and Designation:** Mr. Rajas R. Doshi, Managing Director, designated as Chairman & Managing Director

**B. Period:** From 1<sup>st</sup> July, 2023 to 30<sup>th</sup> June, 2027

**C. Remuneration:**

(i) Salary ₹ 15,00,000/- per month

(In the scale of ₹ 15,00,000 – ₹ 1,00,000 – ₹ 1,00,000 – ₹ 18,00,000/-)

(ii) Perquisites & Allowances :

In addition to the salary and commission payable, the Chairman & Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance @ 60% of the salary, reimbursement of actual medical expenses incurred in India and / or abroad for himself and his family including hospitalization, payment of insurance premium towards medical insurance policies

and reimbursement of expenses for utilities such as gas, electricity, water, furnishing, repairs and other allowances, fees of clubs including admission, entry fees and monthly or annual subscriptions, personal accident insurance and leave travel allowance for self and his family and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Nomination and Remuneration Committee and Board of Directors and the Chairman & Managing Director from time to time. However, such perquisites and allowances will be subject to maximum of 125% of the annual salary.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- (iii) (a) The Company shall provide Company maintained car with driver / reimbursement expenses of driver for use by the Chairman & Managing Director and shall also provide at his residence telephones (including payment for local calls and long distance official calls), reimbursement of Mobile phones expenses & outgoings, telefax and other communication facilities.
- (b) The Chairman & Managing Director will be entitled for privilege leave on full pay and allowances and / or encashment thereof as per the rules of the Company.
- (c) 1) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income-Tax Act;
- 2) Gratuity payable as per the rules of the Company.
- 3) Encashment of leave at the end of the tenure.

The perquisites as mentioned in (iii) above shall not be included in the computation of the ceiling of 125% of the annual salary.

#### **D. Commission**

Such remuneration by way of Commission, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Nomination and Remuneration Committee and/or Board of Directors of the Company at the end of each financial year, subject to the overall ceiling stipulated in Section 197, Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

#### **E. Minimum Remuneration**

Notwithstanding anything to the contrary hereinabove contained, where in any financial year during the currency of the tenure of the Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay him remuneration by way of salary, perquisites and allowances as specified above, as per relevant applicable provisions of law including Schedule V of the Companies Act, 2013. The Nomination and Remuneration Committee has recommended and the Board of Directors have approved the re-



## NOTICE

appointment of Mr. Rajas R. Doshi as Managing Director designated as Chairman & Managing Director of the Company, payment of remuneration on above terms & conditions and continuation of term of re-appointment of Mr. Rajas R. Doshi as Managing Director of the Company even on attaining the age of 70 years by him on above terms & conditions up to his tenure ending on 30<sup>th</sup> June, 2027, subject to the approval of the Shareholders at the ensuing AGM by passing a Special Resolution.

Further the NRC and Board of Directors have also approved payment of annual remuneration exceeding the limit of ₹ 5 Crore or 2.50% of the net profits of the Company where there is one such Managing Director / Whole-time Director (Executive Director) of the Company or 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, subject to the approval of the Shareholders at the ensuing AGM by passing a Special Resolution. Further, NRC and Board of Directors have also approved the continuation of the term of re-appointment of Mr. Rajas R. Doshi as the Managing Director of the Company even on attaining the age of seventy years by him on above terms & conditions up to the tenure ending on 30<sup>th</sup> June, 2027.

Mr. Mayur R. Doshi, Executive Director of the Company was re-appointed from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2025 on the terms & conditions as set out in the resolution passed by the Members in the 96<sup>th</sup> AGM held on 28<sup>th</sup> July, 2022. The remuneration to be paid / payable to Mr. Rajas R. Doshi, Chairman & Managing Director as stated in the Explanatory Statement together with remuneration paid / payable to Mr. Mayur R. Doshi, Executive Director will exceed the limit of 5% of net profits of the Company during their tenure as Managing Director designated as Chairman & Managing Director and Executive Director respectively [as per amended Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder. Mr. Rajas R. Doshi, Chairman & Managing Director, Ms. Jyoti R. Doshi, Director and Mr. Mayur R. Doshi, Executive Director are members of promoter group.

The draft Agreement between Mr. Rajas R. Doshi and the Company is available for inspection to the Members at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. up to the date of the 97<sup>th</sup> Annual General Meeting of the Company. The said Agreement may be terminated by either party by giving the other party 6 months notice in writing.

Mr. Rajas R. Doshi, Chairman & Managing Director is interested in the special resolution set out at Item No.4 of this Notice. Ms. Jyoti R. Doshi, Director and Mr. Mayur R. Doshi, Executive Director of the Company, being relatives are concerned and interested in the special resolution at Item No.4.

None of the other Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested financially or otherwise in the above Special Resolution set out at Item No.4 of the Notice.

The Board recommend the Special Resolution at Item No. 4 for your approval.

### Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee ("NRC") and the relevant provisions of the Companies Act, 2013 ("Act"), Rules thereunder, the Articles of Association of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors has appointed

Mr. Nandan Damani (DIN: 00058396), as an Independent Director of the Company for a period of 5 years from w.e.f. 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028.

Further, pursuant to Regulation 17(1A) of SEBI Listing Regulations and other applicable provisions of the Act and relevant Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and as recommended by the NRC and approval of the Board of Directors, Mr. Nandan Damani will continue his directorship as the Non-Executive Independent Director of the Company even on attaining the age of 75 years but up to his proposed tenure from 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028.

Mr. Rameshwar D. Sarda, Independent Director of the Company will complete his second consecutive term at the 97<sup>th</sup> AGM to be held on 3<sup>rd</sup> August, 2023. Hence, under the SEBI Listing Regulations and Companies Act, 2013 the Company is required to appoint Independent Director in place of Mr. Rameshwar D. Sarda, Independent Director.

In pursuance of SEBI Listing Regulations and the Companies Act, 2013, it is proposed to appoint Mr. Nandan Damani (DIN: 00058396) (70 years) as an Independent Non-Executive Director of the Company.

The Company has received a declaration from Mr. Nandan Damani to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs vide registration number IDDB-DI-202001-006701 valid upto 28<sup>th</sup> January, 2026.

Mr. Nandan Damani has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of Section 164 (2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company. There is no inter se relationship between him and any other member of the Board and Key Managerial Personnel. He does not hold any shares of the Company.

Mr. Nandan Damani is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the SEBI Listing Regulations, each as amended, and is independent of the management of the Company. As a Non-Executive Independent Director, Mr. Nandan Damani will receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board, Committee and other meetings and profit related commission as may be approved by the Members and the Board.

The terms and conditions of appointment of Mr. Nandan Damani is available for inspection by the Members at the Registered Office of the Company during business hours on all working days, upto the last date of remote e-voting.

### Brief profile of Mr. Nandan Damani:-

Shri Nandan Damani aged 70 years, is an industrialist and presently Chairman and Managing Director of Simplex Realty Limited. He is Bachelor of Science from University of Mumbai and has completed Business Management Studies. He has around 46 years of experience in business and industry. Since 2004, he is involved into Real Estate Industry.



## NOTICE

He was inducted on the Board, since 1977 as an Executive Director, when the Company was formerly known as "The Simplex Mills Company Limited" and was involved in the Business of manufacturing Textile products. In 1983 he was appointed as the Managing Director.

During that time, he was, actively associated with various Government/ Semi Government Institutions related to Textile Industries, such as:

The Mill Owner's Association (MOA) – He had served this Institution as Dy. Chairman from September 1994 to August 1995, Chairman from September 1995 to August 1998 and as Committee Member for several years. He was representing MOA-Mumbai at ICMF (now known as CITI-Confederation of Indian Textile Industry). He was also Member of Cotton Development & Research Association.

The Bombay Textile Research Association (BTRA)- He has been Dy. Chairman from September, 2001 to September, 2003 and Chairman from October 2003 to August, 2006. During his tenure he brought many changes which helped the Institution to function smoothly.

He holds the directorships and committee positions in following companies :

| Name of the Company                                 | Category                     | Committee memberships                     | Position held |
|---|------------------------------|---|---------------|
| Simplex Realty Limited (Listed)                     | Chairman & Managing Director | Stakeholders Relationship Committee       | Member        |
|   |                              | Corporate Social Responsibility Committee | Member        |
| Pudumjee Paper Products Limited (Listed)            | Independent Director         | Audit Committee                           | Member        |
|   |                              | Stakeholders Relationship Committee       | Chairman      |
|   |                              | Nomination and Remuneration Committee     | Member        |
|   |                              | Corporate Social Responsibility Committee | Chairman      |
| The Nav Bharat Refrigeration and Industries Limited | Director                     | -   | -             |
| Graphite India Limited (Listed)                     | Independent Director         | -   | -             |
| Shreelekha Global Finance Limited                   | Director                     | -   | -             |
| Enas Foundation (Section 8)                         | Director                     | -   | -             |
| Simplex Renewable Resources Pvt. Ltd.               | Director                     | -   | -             |
| Lucky Vyapar and Holdings Pvt. Ltd.                 | Director                     | -   | -             |

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the appointment of Mr. Nandan Damani as a Non-Executive Independent Director is now being placed before the Members for their approval by way of a Special Resolution.

Except Mr. Nandan Damani, no other Director or Key Managerial Personnel, or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution at Item No.5 for your approval.

### Item No. 6

In pursuance of the special resolution passed under Section 197, 198 and other applicable provisions of Companies Act, 2013 by the Members at the Annual General Meeting held on 4<sup>th</sup> September, 2020, the Non-Executive Directors are paid remuneration by way of commission on net profits of the Company not exceeding the limit laid down under the Companies Act, 2013 or ₹ 65 Lakhs in aggregate whichever is less for each financial year, for a period of 3 years from the financial year 2020-21 to 2022-23. In addition to the commission on net profits, the Non-Executive Directors are paid sitting fees for each meeting of the Board or Committees of the Board and meeting(s) of Independent Directors thereof attended by them.

He is an active Member of Rotary Club of Bombay (RCB) since 1992. He served this club as Chairman and Director of various service committee. He was President of this club in 2009-2010.

Besides being an Industrialist and Businessmen, he has been actively involved in many Public and Social activities such as:

He is the Chairman of Surajratan Fatehchand Damani Janhit Nidhi – which helps under privilege people of the Society and have done many projects such as:

- Damani Eye Hospital at Akola, Maharashtra – committed to render best eye care service at affordable price to all without any compromise with quality in service provided to them.
- Constructed Dharmashalas at Somnath, Dwarka and Rudraprayag.
- Apart from above, he has contributed to the Institutions like UNICEF and United World College, Rotary Club of Bombay and others to serve the wider spectrum of Society in the areas of Health and Education.

The commission for the financial year 2022-23 amounting to ₹ 65 Lakhs will be paid to the Non-Executive Directors of the Company as decided by the Board.

It is proposed to continue the payment of commission to the Non-Executive Directors of the Company under Section 197, 198 and other applicable provisions if any, of the Companies Act, 2013 as per the limit laid down under the Companies Act, 2013 or an amount not exceeding ₹ 65 Lakhs in aggregate, whichever is less, for each financial year, for further period of 3 (Three) years commencing from the financial year 2023-24 to 2025-26 in terms of the Special Resolution at item No.6.

The payment of commission would be in addition to the sitting fees paid / payable for each meeting of the Board or Committees of the Board and meeting(s) of Independent Directors thereof attended by them as also reimbursement of traveling, lodging and conveyance expenses etc. for attending meetings.

All the Non-Executive Directors of the Company and their relatives are interested in the Special Resolution set out at Item No.6 of the accompanying Notice, since it relates to their respective remuneration.

Ms. Jyoti R. Doshi, Non-Executive Director is relative of Mr. Rajas R. Doshi, Chairman & Managing Director and Mr. Mayur R. Doshi, Executive Director of the Company and hence all of them are concerned and interested, financially or otherwise, in the Special Resolution set out at Item No.6.



## NOTICE

None of the other Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.6 except to the extent of their respective share holding in the Company.

The Board recommends the Special Resolution at Item No.6 for the approval of Members.

### Item No. 7

The Board of Directors on the recommendation of the Audit Committee has approved the re-appointment of Mr. Subodh C. Mawalankar, Cost Accountant, Membership No.9041 to conduct the audit of the cost records of the Company pertaining to products following under HSN code 73059010 (MS Pipe) and Joint-Rings, 73069011 (BWSC) and 73053110 (PCCP) for the financial year 2023-24. In terms of the provisions of Section 148, Rules thereunder of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration of ₹ 1,20,000/- plus GST and reimbursement of out of pocket expenses payable to the Cost Auditor for the financial year ended 31<sup>st</sup> March, 2024 as set out in the resolution at Item No.7 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

The Board recommends the Ordinary Resolution at Item No.7 for your approval.

### Item No. 8

The Company has branches in India and may also open new branches in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches in any States/Union Territories of India. The Members are requested to authorise the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Statutory Auditors and fix their remuneration.

The Board recommends the Ordinary Resolution at item No. 8 for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution set out at Item No.8.

By Order of the Board of Directors,  
For The Indian Hume Pipe Co. Ltd.

**S. M. Mandke**  
Vice President- Company Secretary

### Registered Office:

Construction House, 2<sup>nd</sup> Floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date : 19<sup>th</sup> June, 2023

## NOTICE

### PROFILE OF DIRECTOR BEING APPOINTED/ RE-APPOINTED:-

As required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard-2 on General Meetings, the particulars of Director who is proposed to be appointed/ re-appointed is given below:

|   |   |   |  |
|---|---|---|--|
| <b>Name of the Director</b>   | Ms. Anima B. Kapadia -<br>Non-Executive Director  | Mr. Rajas R Doshi -<br>Chairman & Managing Director   | Mr. Nandan Damani -<br>Independent Director<br>(w.e.f. 1 <sup>st</sup> August, 2023)   |
| <b>Age</b>  | 71 Years  | 71 Years  | 70 Years   |
| <b>Director Identification Number</b>   | 00095831  | 00050594  | 00058396   |
| <b>Qualifications</b>   | B.A., L.L.B   | B. E. Civil   | Bachelor of Science  |
| <b>Date of first appointment</b>  | 27-07-2001  | 30-06-1988  | 01-08-2023   |
| <b>Nature of expertise in specific functional areas:</b>  | Law.  | Business Management, Manufacturing, Construction Project Execution, Marketing and Sales.  | Business Management, Textiles & Real Estate sectors.   |
| <b>Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.</b> | Wide experience in Law  | Rich and varied exposure and experience of over 48 years in Business Management, Manufacturing, Construction Project Execution, Marketing and Sales concerning the businesses of the Company  | Wide experience in Business Management, Finance and accounting   |
| <b>Terms and Conditions of Appointment / Re-appointment, including remuneration</b>                                       | The approval of the Members is sought for re-appointment of Ms. Anima B. Kapadia as Non-Executive Director of the Company, liable to retire by rotation.<br><br>Sitting fees for attending meetings of the Board and Committee meetings, where she is a member and Profit Commission, as determined by the Board of Directors and approved by the shareholders. | The approval of the Members is sought for re-appointment of Mr. Rajas R. Doshi as Chairman & Managing Director of the Company. Remuneration as may be approved in the ensuing 97 <sup>th</sup> AGM of the Company.<br><br>Salary - ₹ 15,00,000/- per month (In the scale of ₹ 15,00,000 – ₹ 1,00,000 – ₹ 1,00,000 – ₹ 18,00,000/-)<br><br>No sitting fees will be paid. | The approval of the Members is sought for appointment of Mr. Nandan Damani as an Independent Director of the Company, not liable to retire by rotation.<br><br>Sitting fees for attending meetings of the Board and Committee meetings, where he is a member, independent directors meeting(s) and Profit Commission as determined by the Board of Directors and approved by the shareholders. |
| <b>Remuneration last drawn</b>  | Sitting fees of ₹ 3,60,000/- and Profit commission of ₹ 10,75,431/- were paid during the year.  | Remuneration of ₹ 322.49 Lakhs was paid during the year.<br><br>No sitting fees was paid.   | Nil  |
| <b>Number of meetings of the Board/Committee attended during the year</b>   | Board Meetings: 5 (Five)<br><br>Stakeholders' Relationship Committee meetings: 1 (One)  | Board Meetings: 7 (Seven)<br><br>Stakeholders' Relationship Committee meetings: 1 (One)<br><br>Corporate Social Responsibility Committee : 1 (One)<br><br>Risk Management Committee: 2 (Two)  | Nil  |



## NOTICE

|  |  |   |   |
|--|--|---|---|
| <b>Name of the Director</b>  | Ms. Anima B. Kapadia -<br>Non-Executive Director   | Mr. Rajas R Doshi -<br>Chairman & Managing Director   | Mr. Nadan Damani -<br>Independent Director<br>(w.e.f. 1 <sup>st</sup> August, 2023)   |
| <b>Directorships held in Companies (including Foreign Companies and Private Companies)</b> | 1. The Indian Hume Pipe Company Limited (Listed)<br>2. B. A. & Bros. (ESTN) Limited                      | 1. The Indian Hume Pipe Company Limited (Listed)<br>2. IHP Finvest Limited<br>3. Ratanchand Investment Private Limited<br>4. Mobile Systems India Private Limited<br>5. Raj Jyoti Trading and Investment Private Limited<br>6. Ratanchand Hirachand Foundation<br>7. Walchand Hirachand Foundation<br>8. Smt. Pramila Shantilal Shah Charity Foundation   | 1. Simplex Realty Limited (Listed)<br>2. Pudumjee Paper Products Limited (Listed)<br>3. The Nav Bharat Refrigeration and Industries Limited<br>4. Graphite India Limited (Listed)<br>5. Shreelekha Global Finance Limited<br>6. Enas Foundation (Section 8)<br>7. Simplex Renewable Resources Pvt. Ltd.<br>8. Lucky Vyapaar and Holdings Pvt. Ltd.  |
| <b>Listed entities from which the Director resigned in the past three years</b>            | Nil  | Nil   | AMJ Land Holdings Limited   |
| <b>Disclosure of Relationship between directors inter se:</b>                              | Not related to any Director/Key Managerial Personnel of the Company.                                     | Mr. Rajas R. Doshi is relative of Mr. Mayur R. Doshi, Executive Director and Ms. Jyoti R. Doshi, Non-Executive & Non Independent Director of the Company.   | Not related to any Director/Key Managerial Personnel of the Company.  |
| <b>Chairman / Member of Committees</b>   | 1. The Indian Hume Pipe Company Limited (Listed)<br>- Chairperson of Stakeholders Relationship Committee | 1. The Indian Hume Pipe Co. Ltd. (Listed)<br>- Chairman of Corporate Social Responsibility Committee<br>- Chairman of Risk Management Committee<br>- Member of Nomination & Remuneration Committee<br>- Member of Stakeholders' Relationship Committee<br>2. IHP Finvest Limited<br>- Chairman of Stakeholders' Relationship Committee<br>3. Ratanchand Investment Private Limited<br>- Chairman of Corporate Social Responsibility Committee | 1. Simplex Realty Limited (Listed)<br>- Member of Stakeholders Relationship Committee<br>- Member of Corporate Social Responsibility Committee<br>2. Pudumjee Paper Products Limited (Listed)<br>- Chairman of Stakeholders Relationship Committee<br>- Chairman of Corporate Social Responsibility Committee<br>- Member of Audit Committee<br>- Member of Nomination & Remuneration Committee |
| <b>Number of Equity Shares held in the Company</b>   | 1,660 Shares   | *7,05,572 shares (including shares held under HUF and under Walchand Trust)   | NIL   |

\*Includes 2,96,422 Equity Shares allotted by the Board on preferential basis on 19<sup>th</sup> June, 2023.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. INDUSTRY STRUCTURE & DEVELOPMENT:

We all know that water is a prime natural resource and a basic human need for survival and existence. Indeed water is fundamental to our life. In view of the vital importance of water for human, animal & plant life, for maintaining ecological balance and for economic and developmental activities of all kinds and considering its increasing scarcity, the planning and management of this resource and its optimal economical and equitable use has become a matter of national importance.

Your Company has been in the business of manufacturing, laying and jointing of pipelines of various pipe materials such as RCC pipes, Steel pipes, Prestressed Concrete pipes, Penstock pipes, Bar Wrapped Steel Cylinder pipes (BWSC), Prestressed Concrete Cylinder pipes (PCCP) etc., which provide infrastructure facility and development of drinking water supply projects, irrigation projects, Sanitation and Sewerage schemes. For over five decades as a part of nation building, your Company has also been undertaking infrastructure development programmes by way of executing on turnkey basis the combined water supply projects i.e. undertaking the complete job of water supply from source to distribution centers which apart from manufacturing, laying and jointing of pipelines included construction of intake wells, water sumps, water treatment plants, water pumping stations, installation of pumping machineries, electro-mechanical works, branch mains, ground level reservoirs, elevated reservoirs, leading to executions of complete systems for water supply to various towns and villages of India.

## 2. OPPORTUNITIES AND THREATS:

Water is one of the most crucial elements in our national developmental planning for the 21<sup>st</sup> Century. The proper management of our limited water resources will be essential to ensure food security for country's growing population and to eliminate poverty. (Water Policy and Action Plan for India 2020: An Alternative).

As per Indian Census 2011, the population of India was 121 crores. A scarce natural resource, water is fundamental to life, livelihood, food security and sustainable development. India has more than 18% of the world's population, but has only 4% of world's renewable water resources and 2.4% of world's land area. There are further limits on utilizable quantities of water owing to uneven distribution over time and space. In addition, there are challenges of frequent floods and droughts in one or the other part of the country. With a growing population and rising needs of a fast developing nation as well as the given indications of the impact of climate change, availability of utilizable water will be under further strain in future with the possibility of deepening water conflicts among different user groups. The main emphasis of the National Water Policy, 2012 is to treat water as economic good. Low consciousness about the scarcity of water and its life sustaining and economic value results in its mismanagement, wastage, and inefficient use, as also pollution and reduction of flows below minimum ecological needs. In addition, there are inequities in distribution and lack of a unified perspective in planning, management and use of water resources (Source:- National Water Policy 2012). As it is with the growing population demanding more food, more products and higher standards of living, the shortage of drinking water can only get worse. Thus there is a vast scope for improvement in infrastructural developmental activities in water supply, drainage and sewerage schemes in sanitation Swachh Bharat segments leading to good scope for the Company's manufacturing and contracting activities in this field.

Growth of population and the expansion of economic activities inevitably lead to increasing demands for water for diverse purposes i.e. domestic, industrial, agricultural, hydro-power, thermal power, navigation, recreation etc. Domestic and Industrial water needs have been largely concentrated in or around major cities, however the demand in rural areas is expected to increase sharply with the development programmes of State Governments to improve the economic conditions of the rural mass. Demand for water for hydro and thermal power generation and for other industrial uses is also increasing substantially. As a result water which is already scarce will become even scarcer in future. This underscores the need for the utmost efficiency in water utilisation and its distribution. Through awareness of efficient water supply system and water quality, we can keep our water supply adequate and provide clean & healthy water for our children. It is their fundamental rights. Hence there is a good scope for many water supply projects coming up in near future and this auger well for your Company.

Increased competition from medium/large scale construction entities and availability of substitutes such as alternative pipe materials like Ductile Iron pipes, spirally welded steel pipes and H.D.P. E. pipes are perceived as one of the threat / competition to the Company. Another cause is prices of key raw materials namely steel, steel wires, HT wires and cement, which were on uptrend during the year under review.

## 3. SEGMENT-WISE ACTIVITY:

The Company is considered a pioneer in the field of water supply industry; it is in this line of business for over five decades. The Company's presence is there in almost all water supply related activities, viz. Urban & Rural Water Supply, Large diameter Irrigation pipelines, Head Works including pumping machinery, Treatment Plants, Overhead Tanks and other allied Civil Construction. The Company also supplies Concrete Railway sleepers to Indian Railways. The segment wise report is as under:

### (A) WATER SUPPLY AND SEWERAGE PROJECTS:

#### (i) Some prominent Water Supply Projects and Drainage Schemes substantially completed by your Company valued more than ₹ 5,000 Lakhs each during the year are:-

1. Karnataka Power Corporation Limited, Bengaluru for manufacturing and supplying to site, laying, jointing, testing and commissioning of 1600/1700 mm dia PCCP Pipeline and construction of appurtenant works for the water supply pipeline from Kushtagi to Bellary Thermal Power Plant of the value of ₹ 44,484.17 Lakhs in Karnataka.



1600 mm dia MS pipeline laying for KPCL Bellary Thermal Power Plant, in Karnataka

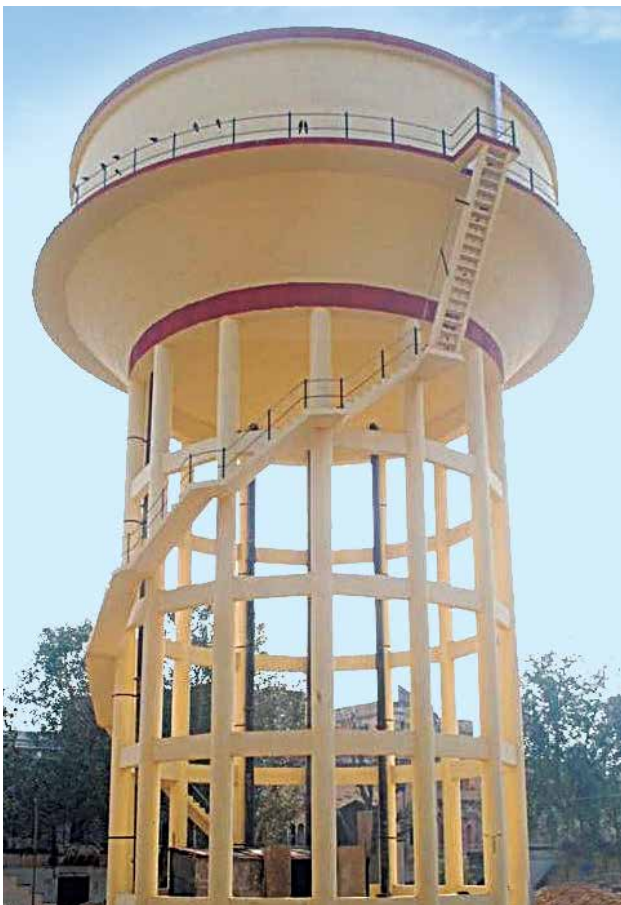


## MANAGEMENT DISCUSSION AND ANALYSIS



1700 mm dia PCCP pipeline laying for KPCL Bellary Thermal Power Plant, in Karnataka

2. Municipal Corporation, Bhilai for Water Supply Scheme to Bhilai for Distribution Network for Bhilai Municipal Corporation consisting of 100 to 900 mm dia DI K7 Pipes for 447.66 Km of the value of ₹ 11,620.25 Lakhs in Chhattisgarh.
3. The PHED, Region Alwar, Rajasthan, for Urban Water Supply Scheme Alwar and Bhiwadi Dist, Alwar consisting of DI K7 pipes and HDPE Pipes including 12 Nos OHSRs, 05 Nos CWRs, 09 Nos Pump Rooms, 61 Nos Tube Wells SCADA etc. of the value of ₹ 10,963.70 Lakhs



1000 KL Capacity Overhead Service Reservoir at Alwar for Urban Water Supply Scheme, in Rajasthan.

4. Municipal Council, Mandsaur, Madhya Pradesh, for Water Supply Scheme to Mandsaur consisting of 600 mm dia DI K9 pipes for 53 KM and 110 to 200 mm dia HDPE pipes for 25 KM including Intake Well 21.35 MLD of the value of ₹ 5,358.60 Lakhs.

**(ii) Company's works on many Water Supply Projects and Drainage Schemes valued more than ₹ 5,000 Lakhs each are progressing well and/or nearing completion and the noteworthy amongst them are:-**

1. Minor Irrigation and Ground Water Development Division, Koppal, for filing of tanks in Kushtagi Taluk of Koppal district by lifting water from Kishna River for ground water development and drinking purpose Pipeline consisting of 500 to 800 mm dia BWSC, 150 to 1250 mm dia MS and 160 to 280 mm dia HDPE pipes, construction of intake channel, jack well cum pump house with Power supply including terminal bays, laying of transmission lines etc. including civil works of the value of ₹ 56,105.03 Lakhs in Karnataka.



Jack Well Cum Pump House for Minor Irrigation and Ground Water Development Division, Koppal Kushtagi, in Karnataka



Installation of Pumping Machines at for Minor Irrigation and Ground Water Development Division, Koppal Kushtagi, in Karnataka

## MANAGEMENT DISCUSSION AND ANALYSIS

2. State Water & Sanitation Mission, Kanpur Water Supply Scheme and various Rural Water Supply Projects in the State of Uttar Pradesh, consisting of Survey, Design, Preparation of DPR, Construction, Construction of tube well / Intake Well, WTP, rising / pressure mains, CWRs, overhead tanks, distribution pipe networks, individual house connections, public stand posts, Retrofitting etc. of the value of ₹ 55,000.00 Lakhs.
3. Municipal Corporation Madurai for dedicated Water Supply Scheme for Madurai Corporation from Mullai Periyar River at Lower Camp including Head works, Raw Water Pipeline Package-1 consisting of 1067 to 1118 mm dia MS pipes for 95,740 Mtrs. including Intake Well - 3 M Dia - 1 No, Collection Well Cum Pump-House and Cofferdam Arrangements- 1 No, Pipe Carrying Bridges for River Crossing - 7 nos Electro Mechanical works of the value of ₹ 35,753.42 Lakhs in Tamilnadu.



1067 mm dia MS pipeline laying for Madurai Water Supply Scheme, Madurai, in Tamilnadu.

4. Water Resources Investigation Division, Palanpur, (Narmada Water Resources, Water Supply & Kalpsar Department), Gujarat for the work of Engineering, Procurement and Construction (EPC) Contract for Lift Irrigation M.S pipeline project for transmission of 200 cusecs of water from N.M.C. Chainage 431.200 Km near Tharad to Sipu Dam for Package 1 from Head Works at Tharad (Mahajanpura Village) to Head Works at Ramsan Village with Intermediate Head Works at Madal Village consisting of 2,024 mm dia MS pipes for 43.380 Kms and 315 mm dia HDPE pipes for 72.045 Kms of the value of ₹ 34,076.82 Lakhs in Gujarat.
5. Public Health Engineering Department, Jaipur, Region-II, for Bisalpur-Prithviraj Nagar Water Supply Project Phase-I, Stage-I Consisting of 700 to 2300 mm dia MS, 100 to 600 mm dia DI and 110 to 200 mm dia HDPE Pipes including Clear Water Reservoir : 10 Nos (2000 KL

to 36000 KL) Over Head Service Reservoir : 19 Nos (1000 KL to 2500 KL) Pumping Station with Chlorination Room:- 9 nos PLC & SCADA System of the value of ₹ 29,550.63 Lakhs in Rajasthan.

6. Municipal Corporation Madurai, for dedicated Water Supply Scheme for Madurai Corporation from Mullai Periyar River at Lower Camp Construction of Distribution Network System (DI & HDPE), House Service connections, and Instrumentation Package-IV consisting of 250 to 400 mm dia DI K7 pipes - 68.62 Km, 110 mm to 200 mm dia HDPE (PN-6) Pipes - 786.37 Km, 20 mm to 32 mm House service connection-118583 Nos Electro Mechanical works of the value of ₹ 25,759.79 Lakhs in Tamilnadu.
7. TWAD Board, Coimbatore for CWSS to Alampalayam Town & other habitations in Namakkal District, consisting of 100 to 300 mm dia DI K7 pipes for 114.36 km, 100 to 600 mm dia DI K9 pipes for 85.45 km, 813 & 700 mm dia MS pipes for 18.87 km and 63 to 160 mm dia PVC pipes for 624.76 km including Water Treatment Plant, Overhead tanks allied civil works of the value of ₹ 25,619 Lakhs in Tamilnadu.



25.51 MLD Water Treatment Plant at Pallakapalayam in Alampalayam Combined Water Supply Scheme for Namakkal & Salem Dist, in Tamilnadu.

8. Madhya Pradesh Jal Nigam Maryadit for Indwar-I Multivillage Rural Water Supply Scheme in Umariya and Katni District consisting of 100 to 800 mm dia DI (K-7) Pipes for 257.23 Km, 600 mm dia DI (K9) pipes for 51.24 Km and 90 to 200 mm dia HDPE (PN-6) Pipes for 1674.34 km including Intake well 35.90 MLD, Water Treatment Plant 29.10 MLD, Overhead Tank 66 Nos. (100 KL to 500 KL) and 27,500 Nos. House Service Connection of the value of ₹ 24,424.80 Lakhs in Madhya Pradesh.



29.10 MLD Water Treatment Plant for Indwar Multi village Rural water Supply Scheme, in Madhya Pradesh.



## MANAGEMENT DISCUSSION AND ANALYSIS



35.90 Intake Well 35.90 MLD ( 10 mtr dia 17 mtr deep) at Jhal Village for Indwar Multi village Rural water Supply Scheme, in Madhya Pradesh.

9. State Water and Sanitation Mission, Lucknow, Uttar Pradesh for Construction of Kuraicha Group of Villages Water Supply Scheme, District – Jhansi (Based on Surface Water) consisting of DI K9 150 to 600 mm dia for 1,37,713 mtrs, DI K7 pipes 100 to 300 mm dia for 2,25,840 mtrs and GI pipes 50 to 80 mm dia for 3,16,871 mtrs including operation and maintenance of the value of ₹ 23,826.49 Lakhs.
10. Water Resources Investigation Division, Palanpur, (Narmada Water Resources, Water Supply & Kalpsar Department), Gujarat for the work of Engineering, Procurement and Construction (EPC) Contract for Lift Irrigation M.S pipeline project for transmission of 200 cusecs of water from N.M.C. Chainage 431.200 Km near Tharad to Sipu Dam for Package 2 from Head Works at Ramsan Village to Sipu Dam consisting of 2,028 mm dia M.S. pipes for 25.34 Kms and 315 mm dia HDPE Pipes for 38.46 Kms including Electro-mechanical and instrumentation works of the value of ₹ 21,062.67 Lakhs in Gujarat.



2028 mm dia MS pipeline laying work for Narmada Water Resources, Water Supply Scheme & Kalpsar Department, Palanpur in Gujarat.

11. Municipal Corporation Bilaspur, Chhattisgarh for Bilaspur Water Supply Scheme part-I consisting of 1,500 mm dia MS pipes, 300 to 1100 mm dia DI K7 pipes and 700 to 900 mm dia DI K9 pipes including water treatment plant, overhead tanks of the value of ₹ 20,554.53 Lakhs in Chhattisgarh.



1500 mm dia MS Pipeline laying work for Bilaspur Water Supply Scheme, in Chhattisgarh.

12. Public Health & Municipal Engineering Department, Ananthapuramu, Andhra Pradesh for Providing Water Supply Distribution Network, House Service Connections, AMR Meters and SCADA including Operation and Maintenance in Municipal Towns of Yemmiganur, tmakur, Allagadda, Gudur and Nandikotkur in Kurnool District (Package - II) consisting of 300 to 450 mm dia DI K-7 Pipes and 110 to 250 mm dia HDPE Pipes including civil works of the value of ₹ 20,450.82 Lakhs in Andhra Pradesh.
13. Minor Irrigation & Ground Water Development Division, Kalaburgi Lift Irrigation Scheme consisting of Survey, investigation, design, supply installation, testing etc., "Filling of tanks in Kalaburagi (south) taluk of Kalaburagi district by lifting water from Bennithora reservoir for ground water development and drinking purpose, comprising of head works, Construction of Approach Channel, Intake Channel, Jack Well cum Pump House, Raw Water Pumping, 300 to 100 mm dia Ms Pipes and 500 mm dia BWSC pipes, laying of transmission lines. Raising main, Delivery chambers and gravity mains etc along with Pumps & Motors, Rejuvenation of Kere Bhosga & Melkunda Tank of the value of ₹ 19,879.99 Lakhs in Karnataka.



## MANAGEMENT DISCUSSION AND ANALYSIS

14. Jalgaon Jamod & 150 Villages Regional Rural Water Supply Scheme (Retrofitting), Tq. Jalgaon Jamod & Sangrampur, Dist. Buldhana. (Under Jal Jeevan Mission). The Project comprises of PCC pipeline of 450 to 700 mm dia of 26.34 km, 100 to 500 mm dia DI K-7 pipes of 253.83 Km, MS Pipeline of 450 mm to 800 mm dia of 1.90 Km of the value of ₹ 19,402.90 Lakhs for Maharashtra Jeevan Pradhikaran, Maharashtra.
15. Madhya Pradesh Urban Development Co. Ltd., for Bhedaghat Water Supply Scheme consisting of 150 to 200 mm dia DI K7 pipes for 10.95 KM, 100 to 600 mm dia DI K9 pipes for 148.06 KM and 110 to 315 mm dia HDPE Pipes for 328.44 KM including Intake Well 27.93 MLD, water treatment plant 31 MLD, overhead tanks 13 Nos. (120 KL to 920 KL) and 32,066 Nos. House Service Connections of the value of ₹ 18,959.96 Lakhs in Madhya Pradesh.



Intake well cum pump House at Bhedaghat town, for Bhedaghat Water Supply Scheme, in Madhya Pradesh.

16. Tillari Water Supply project comprises of PCC pipeline of 1300, 1200, 900 mm dia for 15.90 Km and BWSC pipeline of 500 to 600 mm dia for 30.78 Km of the value of ₹ 18,340.92 Lakhs for Maharashtra Jeevan Pradhikaran in Maharashtra.



600 mm dia. BWSC pipeline laying for Tillari Water Supply Project for Maharashtra Jeevan Pradhikaran, in Maharashtra



1200 mm dia MS pipeline laying for Tillari Water Supply Project for Maharashtra Jeevan Pradhikaran, in Maharashtra

17. For supply, laying, jointing & testing of DI Pipes from 100 mm to 600 mm dia for length of 7,10,062 Mtrs, 762 mm to 1,422 mm dia MS Pipes for length of 23,815 Mtrs. and DI Specials, Valves etc. and connected civil works of the value of ₹ 17,915.04 Lakhs, for Byatarayanapura WSS, for Bangalore Water Supply & Sewerage Board, Bangalore in Karnataka.
18. Madhya Pradesh Jal Nigam Maryadit for Naharayi Multi village Rural Water Supply Scheme in District Bhopal & Vidisha consisting of 100 to 500 mm dia DI (K-7) Pipes for 187.732 Km, 100 mm to 350 mm dia DI (K9) pipes for 16.440 Km and 63 to 200 mm dia HDPE (PN-6) Pipes for 478.757 km including Intake well 28.32 MLD, Water Treatment Plant 21.50 MLD, Overhead Tank 28 Nos. (50 KL to 400 KL) and 12,737 Nos. House Service Connection of the value of ₹ 17,739.00 Lakhs in Madhya Pradesh.
19. Public Health Engineering Department, Jaipur, Region-II, for Bisalpur Jaipur Water Supply Project Stage-II, Phase-I, including Construction of WTP having capacity of 216 MLD extendable to 360 MLD at Surajpura Construction of Pumping Station-2 nos. Clear Water Reservoirs having capacity of 30 MLD at Renwal-2 nos. Construction of 150 KL Capacity RCC underground Sump for collection of recycled water. PLC & SCADA System at WTP and Pump Houses conducting of Surge Analysis Solar Power Generation System of the value of ₹ 17,315.58 Lakhs in Rajasthan.



## MANAGEMENT DISCUSSION AND ANALYSIS

20. Municipal Corporation Raipur, Chhatisgarh for Raipur Water Supply Scheme consisting of 100 to 600 mm dia DI K7 pipes and 200 to 500 mm dia DI K9 pipes including water treatment plant, overhead tanks and 12,466 Nos. House Service Connections of the value of ₹ 16,152.65 Lakhs in Chhatisgarh.



1000 KL Capacity Overhead Service Reservoir for Raipur Water Supply Scheme, in Chhatisgarh.

21. Construction of Piped Distribution Network (PDN) for Palashi Branch, Vadjal Branch, Dy-1, Dy-2 & Minor No.1 to 18 on Man Canal of Urmudi Irrigation Project consisting 600 mm to 1600 mm dia PCC Pipes of 24.66 Kms, 350 mm to 500 mm dia BWSC Pipes of 45.32 Kms, 110 mm to 315 mm HDPE Pipes of 344.30 Kms and allied civil works accepted tender cost of ₹15,627.43 Lakhs for Maharashtra Krishna Valley Development Corporation, Maharashtra.
22. The Public Health Circle, Ananthapuramu for Tadipatri Water Supply Improvement Scheme, AMRUT scheme consisting of 150 to 800 mm dia DI K9 pipelines of the value of ₹ 13,554.56 Lakhs in Andhra Pradesh.

23. Gajapati Water Supply Scheme for Rural Piped Water Supply Projects pertaining to Kasinagar & Gumma block of Gajapati District consisting of DI K9 100 to 400 mm dia for 94,799 mtrs, DI K7 pipes 200 to 250 mm dia for 37,937 mtrs and HDPE pipes 90 to 160 mm dia for 2,56,833 mtrs including operation and maintenance of the value of ₹ 13,482.10 Lakhs in Odisha.



120 KL Overhead Tank 12 Mtr Staging at Gajapati for Gajapati Water Supply Scheme, in Odisha.

24. Madhya Pradesh Jal Nigam Maryadit for Kandaila Multi village Rural Water Supply Scheme in Rewa district consisting of 100 to 500 mm dia DI (K-7) Pipes for 120.02 Km, 450 to 600 mm dia DI (K9) pipes for 8.88 Km and 90 to 280 mm dia HDPE (PN-6) Pipes for 868.05 km including Intake well 25.4 MLD, Water Treatment Plant 20.6 MLD, Overhead Reservoirs, House service connection 19,633 Nos. Clear Water Pumping Mains and allied civil works of the value of ₹ 13,407.95 Lakhs in Madhya Pradesh.



410 KL Capacity Overhead Service Reservoir for Kandaila Multi Village Rural Water Sully Scheme in Rewa Dist., in Madhya Pradesh.

## MANAGEMENT DISCUSSION AND ANALYSIS

25. Asolamendha Project Renovation Division No.1, Mul, Dist. Nagpur for creation of Irrigation Potential 9219 Ha. by providing irrigation facility to CCA 7348 Ha. by Construction of Earth Work, Structure and Lining in Km. 1 to Km. 3 and Pipe Distribution Network in Km. 3 to Km. 16.32, Dewada Sub Branch and Network in Km. 1 to 16.32 of Gowardhan Branch on Asolamendha Project consisting of 63 to 315 mm dia – HDPE Pipes – 494.66 Kms, 350 to 600 mm dia HDPE Pipes– 33.55 Kms, 700 to 1700 mm dia PCCP Pipes– 23.96 Kms, 2000 mm dia-1.70 Kms & 2300 mm dia – 3.93 Kms M.S.Pipes of the value of ₹ 13,307.74 Lakhs in Maharashtra.



Canal Lining for Asolamendha Project Renovation Division, Gowardhan Branch, in Maharashtra.

26. Korba Municipal Corporation, Korba for Water Supply Scheme to Korba consisting of DI & PCCP Pipes, Raw Water pumping Main of the value of ₹ 12,803.94 Lakhs in Chhattisgarh.
27. Municipal Corporation Raipur, Chhattisgarh for Augmentation of Raipur Water Supply Scheme Phase-II Package-V consisting of 100 to 500 mm dia DI K7 pipes for 341.10 km and 500 to 800 mm dia DI K9 pipes for 5.79 km including allied civil works and 40,281 Nos. House Service Connections of the value of ₹ 12,749.97 Lakhs in Chhattisgarh.
28. Madhya Pradesh Jal Nigam Maryadit for Bankpura Multivillage Rural Water Supply Scheme in Rajgarh District consisting of 100 mm to 450 mm dia DI (K-7) Pipes for 189.30 Km, 100 mm to 450 mm dia DI (K9) pipes for 32.04 Km and 90 mm to 225 mm dia 446.25 Km for HDPE (PN-6) Pipes including Intake well 17.98 MLD, Water Treatment Plant 14.75 MLD, Overhead Reservoirs 58 Nos. and House service connection 22,680 Nos. Clear Water Pumping Mains and allied civil works of the value of ₹ 12,698.65 Lakhs in Madhya Pradesh.
29. The Public Health Circle, Nellore for Ongole Municipal Corporation Water Supply Improvements Scheme, AMRUT project consisting of 200 to 450 mm dia DI pipeline, 110 to 315 mm dia HDPE pipeline, 1200 mm dia MS Pipeline and 500 mm dia BWSC pipeline of the value of ₹ 12,256.62 Lakhs in Andhra Pradesh.
30. Municipal Corporation Raipur, Chhattisgarh for Augmentation of Raipur Water Supply Scheme Phase-II Package-IV consisting of 100 to 600 mm dia DI K7 pipes for 303.66 km and 200 to 500 mm dia DI K9 pipes for 10.31 km including allied civil works and 23,758 Nos. House Service Connections of the value of ₹ 11,929.97 Lakhs in Chhattisgarh.
31. Madhya Pradesh Jal Nigam Maryadit for Gadakota Multi village Rural Water Supply Scheme in Sagar district consisting of 100 to 450 mm dia DI (K-7) Pipes for 160.38 Km, 100 to 450 mm dia DI (K9) pipes for 12.32 Km and 90 to 200 mm dia HDPE (PN-6) Pipes for 626.34 km including Intake well 18.27 MLD, Water Treatment Plant 15.21 MLD, Over head Reservoirs, House service connections 16,200 Nos. Clear Water Pumping Mains and allied civil works of the value of ₹ 11,710.05 Lakhs in Madhya Pradesh.
32. J.C. Nagi Reddy Drinking Water Supply Scheme in Ananthapuramu District (Phase-IV) in Andhra Pradesh consisting of 350, 800 & 900 mm dia BWSC pipes of the value of ₹ 11,335.89 Lakhs for Rural Water Supply & Sanitation Department in Andhra Pradesh.
33. Public Health Engineering Department, Jahazpur JJM, for Chambal Bhilwara Water Supply Project Phase II Consisting of 100 to 250 mm dia DI and 75 to 225 mm dia HDPE Pipes including Clear Water Reservoir : 3 Nos (50 KL to 100 KL) Over Head Service Reservoir : 14 Nos (75 KL to 250 KL) Pumping Station with Chlorination Room:- 1 nos HSC:- 32,990 nos PLC & SCADA System of the value of ₹ 110,00.93 Lakhs in Rajasthan.
34. S4B for manufacture, supply, laying, jointing & testing of RCC NP3 class pipes from 400 to 1400 mm dia for 18,440 Mtrs, DWC SN8 Pipes of 450 mm dia and 600 mm dia for length of 2,319.50 Mtrs and 1,013 Mtrs length of 900 to 1800 mm dia MS pipes of the value of ₹ 10,012.29 Lakhs for Bangalore Water Supply & Sewerage Board, Bengaluru in Karnataka.
35. Municipal Corporation Bilaspur, Chhattisgarh for Bilaspur Water Supply Scheme part-II consisting of 100 to 500 dia DI K7 pipes including 56,251 Nos. House Service connection of the value of ₹ 9,676.87 Lakhs in Chhattisgarh.
36. S4D for manufacture, supply, laying, jointing & testing of RCC NP3 class pipes from 900 to 1800 mm dia for 12,426 Mtrs and MS Casing Pipes of 1800 mm, 2000 mm and 2200 mm dia for length of 220 Mtrs for Trenchless works of the value of ₹ 9,640.54 Lakhs for Bangalore Water Supply & Sewerage Board, Bengaluru in Karnataka.
37. Chilhwadi Pipeline project of PCCP pipeline of 900-1500 mm dia for 28.11 Km and BWSC Pipeline of 350-800 mm dia for 9.14 km including 1500 mm dia MS Pipeline for Crossing River and nallah of the value of ₹ 9,012.72 Lakhs for Maharashtra Krishna Valley Development Corporation, Maharashtra.
38. Buldhana Water Supply Scheme for RCC Design, Construction, Commissioning and Trial Run for Buldhana & 4 Village Water Supply Scheme. The Project comprises of PCC pipeline of 600 to 800 mm dia for 27.18 km of the value of ₹ 8,131.95 Lakhs for Maharashtra Jeevan Pradhikaran, Maharashtra.



Water Treatment Plant Aeration Process - Aerator for Bankpura Multivillage Rural Water Supply Scheme in Rajgarh Dist., in Madhya Pradesh.



## MANAGEMENT DISCUSSION AND ANALYSIS

39. Madhya Pradesh Jal Nigam Maryadit for Kerwa Multi village Rural Water Supply Scheme in District Bhopal consisting of 150 to 350 mm dia DI (K-7) Pipes for 120.639 Km, 200 mm to 350 mm dia DI (K9) pipes for 20.912 Km and 63 to 250 mm dia HDPE (PN-6) Pipes for 179.273 km including Intake well 16.70 MLD, Water Treatment Plant 11.30 MLD, Overhead Tank 14 Nos. (50 KL to 250 KL) and 8,842 Nos. House Service Connection of the value of ₹ 8,080.24 Lakhs in Madhya Pradesh
40. Asolamendha Project Renovation Division No.1, Mul, Dist. Nagpur for creation of Irrigation Potential 4551.34 Ha. By Providing Irrigation facilities by Design and Construction of Pipe Distribution System on Dighori Branch Canal on Asolamendha Main Canal of Gosikhurd consisting of 700 to 1000 mm dia PCCP Pipes for 13.63 kms, 350 to 600 mm dia DI K-7 pipes for 24.48 kms and 63 to 315 mm dia PVC pipes for 507.43 kms of the value of ₹ 7,813.96 Lakhs in Maharashtra.
41. Irrigation Project Division, Nagpur for the work of construction of M. S. Feeder Pipeline from Kochi Barrage to Pench RBC (28.86 Kms), Head Regulator, Delivery Chamber, Reconstruction of Road and allied works of Kanhan River Project (Kochi Barrage) consisting of 2000 mm dia M S Pipes for 14.39 Kms of the value of ₹ 7,783.67 Lakhs in Maharashtra.
42. For Supply, Laying, Jointing & Testing of DI K-9 Class Pipes from 100 mm to 600 mm dia for a length of 1,22,000 Mtrs., 508 mm & 900mm dia MS Pipes for length of 570 Mtrs. for Trenchless Works and DI Specials, Valves etc. and connected civil works of the total value of ₹ 5,707.68 Lakhs, for the Work of Providing Water Supply Facilities to Phase-1 of Arkavathi BDA Layout, for Bangalore Water Supply & Sewerage Board, Bangalore in Karnataka.
43. M/s Koya & Company Construction Limited, Providing Drinking Water and Irrigation Facilities to 68 tanks in the upland areas of Kurnool District from Left Side to HNSS main Canal - Phase-I. consisting of PSC & RCC Pipes 500, 600, 900 & 1100 mm Ø x 06 KSC PSC 500 mm dia P2 RCC of value of ₹ 5,584.17 Lakhs in Andhra Pradesh.
44. Asolamendha Project Renovation Division Saoli for construction of pipe distribution network on Kapsi sub branch of Asolamendha Project consisting of 63 mm to 315 mm dia PVC pipes of 361.57 Kms, 350 to 600 mm dia DI K-7 pipes of 33.44 kms and 700 to 1200 mm dia PCCP pipes of 3.29 kms and allied civil works of the value of ₹ 5,381.35 Lakhs in Maharashtra.



1100 mm dia PCCP pipeline for Asolamendha Project Renovation Division Saoli, Kapsi Branch, in Maharashtra.

45. Municipal Corporation, Tirupati Municipal Corporation under AMRUT Scheme for providing Sewerage Network and Sewerage House Service Connections, Construction of 500 KLD consisting of DWC & RCC pipelines including civil work of the value of ₹ 5,297.47 Lakhs in Andhra Pradesh.
46. M/s Koya & Company Construction Limited, Construction and commissioning on turnkey basis of Bonthu-Saravakota-Kothuru L. I. Scheme on Mahendratanya River in Saravakota Mandal of Srikakulam District PSC, consisting of RCC & PVC Pipelines MS Pipeline - 2.54 Km's, PSC Pipeline - 14.70 Km's, RCC Pipelines - 4.00 Km's and PVC Pipelines - 20.00 Km's of the value of ₹ 5,061.25 Lakhs in Andhra Pradesh.

### (B) Bar Wrapped Steel Cylinder (BWSC) Pipes/Prestressed Concrete Cylinder Pipes (PCCP)/ Prestressed Concrete Pipes (PSC):

The BWSC and PCCP pipes introduced by the Company as an alternative pipe materials to M.S. and D.I. pipes have become popular amongst various Government authorities. The Company has undertaken / is undertaking several projects involving BWSC & PCCP pipes. To meet the demand of these pipes, the Company had specially set up manufacturing plants at Choutuppal in Telangana, Chilamathur in Andhra Pradesh, Dhule and Walwa in Maharashtra. In addition to the above, the Company has also created facilities to manufacture these pipes in its existing factories at Rajkot, Kanhan, Patancheru, Yelhanka, Thanjavur, Kekri, Sikar, Karari and Kovvur to cater to the local demands. During the year under review, these plants produced 56.14 Kms of BWSC pipes valued at ₹ 2,087.89 Lakhs, 54.80 Kms of PCCP Pipes valued at ₹ 5,510.95 Lakhs and 18.04 Kms of PSC Pipes valued at ₹ 593.36 Lakhs.

During the year the Company has received orders worth ₹ 4,100 Lakhs for BWSC pipes, orders worth ₹ 352.86 Lakhs for PSC pipes and orders worth ₹ 9,299.11 Lakhs for PCCP pipes along with other civil works. Due to COVID – 19 Pandemic after effect on less order intake, most of plants have worked at much less capacity during the year under review.

### (C) Railway Sleepers:

During the year the Company has received work orders of ₹ 2,448 Lakhs and the Company has manufactured 96,866 sleepers amounting to ₹ 2,082 Lakhs against the order(s) received from Ministry of Railways, Railway Board, New Delhi.

### 4. Outlook:

During the last decade, Urban area limits are spreading wider and wider to peripheral areas, but at the same time, the basic amenities like Water Supply, Drainage, etc are not keeping pace with the requirement of more and more urbanization. Apart from the above, most of the rural areas in India fall short of access to drinking water.

Central Government, State Governments and local bodies are making best efforts to supply safe drinking water. Hence, number of water supply schemes are under anvil.

Har Ghar Jal (Water to Every Household) is a Scheme announced in the Union Budget 2019 by the Government of India with the aim to provide tap water to every rural household by the year 2024 at a cost of ₹ 5 Lakhs Crore during next 5 years.

## MANAGEMENT DISCUSSION AND ANALYSIS

To augment agricultural output, Lift Irrigation Schemes (LIS) are undertaken by various State Governments. Hence, number of LIS are under anvil.

Further to make cities and rural areas under more hygienic conditions and endeavour towards Swachha Bharat number of sewerage disposals and drainage schemes are also coming up.

Due to Covid-19 pandemic in the country there are challenges. The Company has taken step for cutting costs and conserving the funds in this uncertain times.

Barring the above factors, the long term outlook for the Company in water supply, irrigation, sewerage and drainage segments is encouraging and good. The Company will keep a close watch on the evolving scenarios and will prepare itself for adapting to the changing environment.

### 5. Risks & Concerns:

The Company's activities and prospects largely depend on the implementation of various water supply related projects undertaken by various States / Central Government Agencies. The Company is undertaking turnkey projects of water supply schemes, irrigation and sewerage schemes of various State Governments and it depends upon their policy on approval of finance and allocation of funds as well as their ability to raise funds to undertake such water supply projects amongst various infrastructure related projects being implemented by them. Adverse changes and lack of funds, delays the work resulting in higher cost and can affect the business prospects of the industry and the Company. Severe competition from the manufacturers of alternative pipes like Ductile Iron Pipes, PVC Pipes, HDPE Pipes, and Spirally Welded Steel Pipes can affect the Company's prospects.

In the year under review the steel manufacturers had high export order book position that were more profitable to them than domestic sales. Majority of steel produced was exported thus it created mismatch in domestic demand and supply. With the result steel prices had skyrocketed since last quarter of FY 2021-22. To ease out the situation in May, 2022 Govt. of India had imposed additional export duty on steel products. Due to this prices of HR Coils, Wire Rods dropped by 20% till October 2022.

After removal of additional Export Duty in November, 2022, price of steel surged by 10%. PC Wire prices were at peak in April 2022 but started dropping till December 2022. Thereafter the prices had uptrend from January to March, 2023 with rise of about 7%. In the last quarter of the year under review key raw material prices witnessed upward trend. Cement prices had dropped by 7% from April to August 2022 but started surging and gained 10% till March, 2023.

During the year under review, PVC pipe prices dropped by 50% whereas HDPE pipe prices dropped by 10% DI Pipes prices had a steady upward trend and prices increased by 20%. Rise in price of DI pipes resulted due to big mismatch between demand and manufacturing capacity.

### 6. Internal Control Systems and their adequacy:

The Company has adequate internal control procedures commensurate with its size and nature of business that ensures control over various functions of the organisation. The internal control system provides for guidelines, authorisation and approval procedures.

The internal audit reports, post audit reviews are carried out to ensure compliance with the Company's policies and procedures.

### 7. Financial Performance with respect to Operational Performance:

For the year ended 31<sup>st</sup> March 2023, the Revenue from Operations of the Company was ₹ 1,54,288.46 Lakhs as compared to previous year Revenue from Operations of ₹ 1,52,039.09 Lakhs.

The profit before tax was ₹ 7,237.74 Lakhs as against ₹ 7,798.19 Lakhs achieved last year. The order book position was ₹ 3,112.03 Crores as on 6<sup>th</sup> May, 2023 as compared to ₹ 3,822.73 crores as on 20<sup>th</sup> May, 2022.

### 8. Details of significant changes of 25% or more as compared to the previous financial year 2021-22 in key financial ratios, along with detailed explanations therefor:

Please refer schedule No. 2.45 of the Notes to Financial Statements.

### 9. Details of any change in the Return on Net Worth as compared to the previous financial year 2021-22 along with a detailed explanation thereof:

| Particulars          | 2022-23 | 2021-22 | Change % |
|----------------------|---------|---------|----------|
| Return on Net worth* | 8.58%   | 9.23%   | -6.96    |

\* The reduction in the ratio is mainly due to lessor profits as compared to previous year.

### 10. Human Resources and Industrial Relations:

The Company has total strength of 1407 permanent employees as on 31<sup>st</sup> March, 2023 working at various locations at Factories / Project offices / Head Office and Research & Development Division.

In India, Covid-19 pandemic started spreading from March 2020. The Company had circulated notices with the information related to this pandemic disease and precautionary measures to be taken at workplaces. The Company has made all the necessary arrangements such as providing masks to the employees, sanitize all the workplaces, measuring the temperature at the time of reporting for work at factory gate and at office entrance, arrangement of washing hands with soap, etc. During the complete National lockdown, the Company's factories, project offices and other Offices were temporarily closed and the Company paid wages/salaries to the employees during this period. The Company has adopted work from home policy for employees working at Head office and other offices and R & D division.

From the year 2022 onwards there was a considerable reduction in the Covid cases and the Company opened offices with limited staff with staggered working hours. During the said period the Company took all the requisite care as prescribed by the State/Central Govt. for prevention and spread of Covid-19 pandemic.

During this financial year, the Company had organized Training programmes on Safety & Health as well as to create awareness about Covid 19 at its Walwa factory in Maharashtra and Kekri in Rajasthan. Further the Company had organised training programmes on the above subject matter at its project sites at Jaipur, Bhopal, Chennai & Raipur.

The Company had also organised Induction Training programme for the fresh engineers at Chennai PO and apprised them about the



## MANAGEMENT DISCUSSION AND ANALYSIS

Company's policies and procedures and how to attend the work at project sites by following ISO standard and the safety precautionary measures to be taken for themselves as well as the employees who are working with them.

### 11. Cautionary Statement:

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a schedule of implementation of various water supply

related projects undertaken by various States / Central Government Agencies, significant changes in political and economic environment in India, exchange rate fluctuations, prices and availability of key raw materials like steel and cement, tax laws, litigations, labour relations and interest costs, etc.

For and on behalf of the Board of Directors,

**Rajas R. Doshi**  
Chairman & Managing Director  
DIN: 00050594

Place : Mumbai

Dated: 16<sup>th</sup> May, 2023

## BOARD'S REPORT

To,  
THE MEMBERS,

Your Directors are pleased to present to you the Annual Report on the business operations of the Company together with the Audited Financial Statements of Accounts for the Financial Year ended 31<sup>st</sup> March, 2023.

### FINANCIAL RESULTS:

(As per Ind AS)

|  | Year Ended<br>31-03-2023 | Year Ended<br>31-03-2022 |
|--|--------------------------|--------------------------|
|  |                          | (₹ in Lakhs)             |
| <b>Revenue from Operations</b>   | <b>1,54,288.46</b>       | 1,52,039.09              |
| <b>Profit Before Finance Cost, Depreciation &amp; Amortisation &amp; Tax</b> | <b>15,584.95</b>         | 15,397.33                |
| Less: Finance Costs  | <b>6,793.23</b>          | 5,856.53                 |
| Depreciation & Amortisation  | <b>1,553.98</b>          | 1,742.61                 |
| <b>Profit Before Tax</b>   | <b>7,237.74</b>          | 7,798.19                 |
| Less: Provision for Taxation   | <b>1,667.43</b>          | 2,019.18                 |
| <b>Net Profit After Tax</b>  | <b>5,570.31</b>          | 5,779.01                 |
| <br>   |                          |                          |
| <b>Add/(Less): Other Comprehensive Income</b>                                | <b>(91.09)</b>           | (44.72)                  |
| <br>   |                          |                          |
| <b>Total Comprehensive Income carried out to Other Equity</b>                | <b>5,479.22</b>          | 5,734.29                 |

### PERFORMANCE REVIEW:

Your Company's operations of its various projects under execution continued to be profitable, with continued efforts to reduce costs and improve yield as also bettering the productivity levels.

During the year 2022-23 under review, the Revenue from Operations was ₹1,54,288.46 Lakhs as compared to ₹ 1,52,039.09 Lakhs for the previous year. The profit before tax for the year was ₹ 7,237.74 Lakhs as compared to ₹ 7,798.19 Lakhs for the previous year. The profit after tax for the year was ₹ 5,570.31 Lakhs as compared to ₹ 5,779.01 Lakhs for the previous year.

There were few challenges during the year, mainly steep rise in commodity prices during year under review, which drastically affected the domestic availability of various input materials and bought out items, which affected the Company's turnover. The rise in commodity prices and modifications in design of some EPC projects also affected the profitability.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the Report.

### SHARE CAPITAL:

The paid up Equity Share Capital as at 31<sup>st</sup> March, 2023 was ₹ 968.94 Lakhs.

### DIVIDEND:

Your Directors are pleased to recommend a Dividend of ₹ 1/- per equity share of face value of ₹ 2/- each (50%) for the financial year ended 31<sup>st</sup> March, 2023 as against ₹ 2 per equity share of face value of ₹ 2/- each for the previous financial year ended 31<sup>st</sup> March, 2022. The Dividend, subject to the approval of the Members at the 97<sup>th</sup> Annual General Meeting convened on 3<sup>rd</sup> August, 2023 will be paid on or after 8<sup>th</sup> August, 2023 to those Members whose names appear in the Register of Members of the Company.

The Dividend recommendation is in accordance with the Dividend Distribution Policy ("the Policy") of the Company. The policy is available on the website of the Company.

### TRANSFER TO RESERVES:

The Company do not propose to transfer any amount to General Reserve.

### FINANCE:

During the year under review, liquidity position of your Company was maintained satisfactorily and optimum utilization of financial resources was achieved.

The Company had a cordial relationship with its Bankers and trade creditors and has been prompt in meeting obligations towards them.



## BOARD'S REPORT

### PREFERENTIAL ISSUE OF SHARES TO PROMOTERS:

Pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the Rules thereunder, other applicable provisions of laws and subject to the approval of the shareholders and Regulatory approvals, the Board of Directors of the Company at their meeting held on May 16, 2023, have accorded approval for issue of 42,34,600 equity shares of face value of ₹ 2/- each, at an issue price of ₹ 141.69 per equity share (including a premium of ₹ 139.69 per equity share), aggregating to ₹ 60,00,00,474/- (Rupees Sixty Crores Four Hundred Seventy Four Only) for cash consideration on preferential basis to the Promoters and members of the Promoter Group of the Company for the purpose of inter alia to reduce debt, to meet working capital requirements, to strengthen financial position and for general corporate purposes subject to approvals, permissions and sanctions under the applicable laws.

### INCOME TAX ASSESSMENT:

The income tax assessment of your Company has been completed till assessment year 2021-22. The appeals filed by the Company, against the assessment orders for various financial years are pending with the Income Tax Appellate Authorities and Bombay High Court. The amount of total disallowance involved in various appeals is ₹ 39,823.69 Lakhs. Out of this amount of disallowance, the major disputed amount of ₹ 39,116.90 Lakhs pertains to claim of deduction under section 80IA, regarding eligibility of deduction/exemption of profit earned from execution of infrastructure project and balance amount of disallowance of ₹ 706.79 lakhs, pertains to the other disallowances such as land valuation of Wadala property and CSR expenses. However necessary provision for tax of ₹ 13,618.19 lakhs on the total disallowance of ₹ 39,823.69 lakhs has been made in the accounts and paid accordingly.

The appeal filed by the Income Tax Department is pending in the Bombay High Court for A.Y. 2003-04. The issue involved in A.Y. 2003-04 is regarding claim of deduction u/s 80IA allowed by the Income Tax Appellate Tribunal, amounting to ₹ 1,068.27 Lakhs. However, in view of subsequent retrospective amendment made to Section 80IA by Finance Act, 2009, as an abundant caution, provision for the basic tax liability of ₹ 392.59 Lakhs, on the claim of ₹ 1,068.27 Lakhs, has been made in the accounts.

### FACTORIES:

The Company has decided to permanently close down its Miraj factory, Maharashtra subject to obtaining all approvals and sanctions and permissions.

The total number of factories of the Company as at the end of the year under review stands at 19.

### DEVELOPMENT OF LANDS:

The Developer has registered Phase I & Phase II - Dosti Greenscape for development of Hadapsar, Pune land under RERA vide project registration No.P52100049942 for Phase I and No. P52100051041 for Phase - II. The entire development under all phases of the Hadapsar project consists of 12 towers with an approximate total RERA carpet area of 10,51,389 Sq ft. (is subject to change based on the development control rules and market dynamics).

The development of the Company's land at Vadgaon Pune and SRA Project at Wadala Mumbai are at stages of obtaining development related approvals from various Authorities.

### CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORTS:

The Company has implemented procedures and adopted practices in conformity with the code of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has implemented Code of Conduct for all its Directors, Promoter & Promoter's Group, Designated Persons and their immediate relatives for dealing in the Company's shares. The Management Discussion and Analysis Report and Corporate Governance Report, appearing elsewhere in this Annual Report forms part of the Board's Report. A certificate from the Statutory Auditors of the Company certifying the compliance of conditions of Corporate Governance is also annexed hereto.

### PUBLIC DEPOSITS:

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 during the financial year 2022-23 (previous year NIL).

### CREDIT RATINGS:

During the year CARE Ratings Limited has reviewed and evaluated its rating for Long Term Bank facilities as CARE BBB+; Stable (Triple B Plus; Outlook: Stable), Long Term/ Short Term Bank facilities as CARE BBB+; Stable / Care A2 (Triple B Plus; Outlook: Stable / A Two), Short Term Bank Facilities as CARE A2 (A Two).

The details of Credit Ratings reviewed during the year by CARE Ratings Ltd. are uploaded on website of the Company at [www.indianhumepipe.com](http://www.indianhumepipe.com)

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statements for the year ended 31<sup>st</sup> March, 2023.

### CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility (CSR) Policy of the Company and the CSR programs/activities undertaken during the financial year 2022-23 are set out in "Annexure A" and forms part of the Board's Report. For other details of the CSR Committee, please refer to the Corporate Governance Report which forms part of this report. The policy is available on the website of the Company at link [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/CSRPolicyR.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/CSRPolicyR.pdf)

In accordance with Section 135 of the Companies Act 2013, Rules thereunder and Schedule VII during the financial year 2022-23 the Company had undertaken CSR activities and incurred CSR expenditure and donated/spent ₹ 99,27,000/-.

Due to recurrence of COVID-19 pandemic situation with new/modified variants, there were challenges in identifying, assessing, appraising, shortlisting and selecting CSR projects and its implementation thereof. In view of these unprecedented challenges evolving under COVID-19 pandemic situation in the country, for the Financial Year 2022-23 the Company could spend ₹ 99,27,000/- out of the committed CSR obligations of ₹ 1,71,05,982/- and was unable to spend CSR expenditure of ₹ 71,78,982/- on account of above reasons. Being non-ongoing CSR projects, the unspent CSR expenditure of ₹ 71,78,982/- for F.Y. 2022-23 less set-off amount of ₹ 1,14,363.82 net amount of ₹ 70,64,618.18 will be donated/contributed to the specified Fund/s within a period of six months from the end of the financial year 31<sup>st</sup> March, 2023 i.e. on or before 30<sup>th</sup> September, 2023 as required under second proviso to section 135(5) of the Companies Act, 2013, Rules thereunder and Schedule VII.



## BOARD'S REPORT

### RISK MANAGEMENT:

The Board of Directors of the Company has re-constituted Risk Management Committee and adopted revised role of the Committee. The details are given in the Corporate Governance Report forming part of the Board's Report. The Company has a Risk Management Policy to identify, assess, evaluate, monitor and mitigate risks. The risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The details of Risk Management Committee are given in the Corporate Governance report.

### INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:

The Company has an Internal Audit Department headed by General Manager, Internal Audit. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, the Management undertakes corrective action in their respective areas and thereby strengthen the controls.

### INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to the Financial Statements to provide reasonable assurances with regard to recording and providing financial information complying with the applicable accounting standards.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has Vigil Mechanism administered by the Audit Committee. The Vigil Mechanism policy is posted on the Company's website.

### CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business during the year under review.

### SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS/ TRIBUNALS, IF ANY:

There are no significant material orders passed by the Regulators/Courts/ Tribunals which would impact the going concern status of your Company and its future operations.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors of the Company have submitted a declaration that each of them meets the criteria of independence as per provisions of the Companies Act, 2013, rules thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and there has been no change in the circumstances which may affect their status as an Independent Directors during the year. In the opinion of the Board of Directors, all the Independent Directors possess requisite qualifications, experience, expertise and integrity for the purpose of Rule 8(5)(iii a) of the Companies (Accounts) Rules, 2014 and fulfil the criteria of independence as provided under the Act, rules made thereunder and the Listing Regulations and that they are independent of the management.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board approved the re-appointment of Ms. Sucheta N. Shah (DIN: 00322403) as Non-Executive Independent Woman Director of the Company for a second consecutive term w.e.f. 12<sup>th</sup> February, 2023 till the date of holding of 101<sup>st</sup> AGM of the Company to be held in the year 2027, based on her skills, competence, expertise and performance evaluation.

The re-appointment was approved by shareholders of the Company vide special resolution dated 25<sup>th</sup> March, 2023 passed through postal ballot by remote e-voting. Consequent upon her re-appointment as an Independent Director for 2<sup>nd</sup> consecutive term, she was re-appointed as Member of Stakeholders Relationship Committee w.e.f. 12<sup>th</sup> February, 2023 till the date of holding of 101<sup>st</sup> AGM of the Company to be held in the year 2027.

Mr. Rameshwar D. Sarda (DIN: 00095766) will complete his second term as an Independent Director from the Board of the Company with effect from the date of holding of 97<sup>th</sup> AGM of the Company to be held in the year 2023. The Board places on record their appreciation of the contribution made by Mr. Rameshwar D. Sarda as Non-Executive Director of the Company during his long association of 27 years with the Company.

Mr. Nandan Damani (DIN: 00058396) was appointed by the Board as an Independent Director of the Company for a period of 5 years from 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at their meeting held on 16<sup>th</sup> May, 2023, considered and approved the re-appointment of Mr. Rajas R. Doshi, (DIN: 00050594) as Managing Director for a further period of four years from 1<sup>st</sup> July, 2023 to 30<sup>th</sup> July, 2027, subject to approval of the Members at the ensuing 97<sup>th</sup> Annual General Meeting of the Company. He was also re-appointed as Chairman of the Board.

In accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company Ms. Anima B. Kapadia, Director of the Company, retires by rotation at the ensuing 97<sup>th</sup> Annual General Meeting and being eligible offers herself for re-appointment.

The Profile of Directors seeking appointment/re-appointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Notice of 97<sup>th</sup> Annual General Meeting of the Company.

Details of the proposal for appointment/re-appointment of director is given in the Notice of AGM.

Apart from the above there were no changes in Key Managerial Personnel (KMP) of the Company during the year under review. In terms of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. Rajas R. Doshi, Chairman and Managing Director, Mr. Mayur R. Doshi, Executive Director, Mr. M. S. Rajadhyaksha, Vice President - Chief Financial Officer and Mr. S. M. Mandke, Vice President - Company Secretary.

None of the Directors and Key Managerial Personnel of the Company have any pecuniary relationships or transactions with the Company, other than salary, commission, sitting fees, reimbursement of expenses incurred by them for attending the meetings of the Company and in case of Ms. Anima B. Kapadia, Non-Executive, Non-Independent Director of the Company and Sole Proprietor of M/s. Daphtary Ferreira and Divan, Solicitor and Advocate of the Company, the payment of professional fees in the capacity as Advocate and Solicitor.

### BOARD COMMITTEES:

The Board of Directors of your Company had constituted various Committees and approved their terms of reference/role in compliance with the provisions of the Companies Act, 2013 and Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.



## BOARD'S REPORT

The composition of the Audit Committee as given in the Corporate Governance Report is in accordance with Section 177 of the Companies Act, 2013, Rules thereunder and Listing Regulations. The members of the Audit Committee are financial literate and have experience in financial management. All the recommendations made by the Audit Committee have been accepted by the Board of Directors.

### PERFORMANCE EVALUATION:

Pursuant to the provisions of Section 134(3)(p), 149(8), Schedule IV of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the circular dated 5<sup>th</sup> January, 2017 issued by SEBI with respect to Guidance Note on Board Evaluation, annual performance evaluation of the Board as well as of the Committees of the Board and individual Directors have been carried out by the Board.

The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman, Non-Independent Directors and Board was carried out by the Independent Directors.

### INDEPENDENT DIRECTORS' MEETING:

In terms of Section 149, Schedule IV of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Independent Directors met on 21<sup>st</sup> March, 2023 without the attendance of Non-Independent Directors and Members of Management of the Company and reviewed the:

- i) performance of Non-Independent Directors and the Board of Directors of the Company as a whole;
- ii) performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors;
- iii) assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

### FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS:

In compliance with the requirements of SEBI (LODR) Regulations 2015, the Company has put in place a familiarization program for Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the operations of the Company, business overview etc.

The details of the familiarization program is available on the website of the Company.

Independent Directors are briefed with respect to the developments that are taking place in the Company and its operations.

### REMUNERATION POLICY:

The Board on the recommendation of the Nomination & Remuneration Committee had formulated and adopted the Remuneration policy for selection and appointment of Directors, Senior Management and their remuneration. The policy is available on the website of the Company at link [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/Nom\\_Rem\\_Policy.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/Nom_Rem_Policy.pdf)

### NUMBER OF MEETINGS:

Annual programme of Board and Committee meetings is circulated in advance to the Directors.

During the year seven Board Meetings and five Audit Committee meetings were held as under:

27<sup>th</sup> May, 2022, 14<sup>th</sup> June, 2022, 6<sup>th</sup> July, 2022, 12<sup>th</sup> August, 2022, 29<sup>th</sup> September, 2022, 10<sup>th</sup> November, 2022 and 9<sup>th</sup> February, 2023. The Composition of Audit Committee is as under:

| Sr. No. | Name of the Member     | Category |
|---------|------------------------|----------|
| 1.      | Mr. Rajendra M. Gandhi | Chairman |
| 2.      | Mr. Rameshwar D. Sarda | Member   |
| 3.      | Mr. Vijay Kumar Jatia  | Member   |

Further two meetings of Nomination & Remuneration Committee, a meeting of Corporate Social Responsibility Committee, a meeting of Stakeholders Relationship Committee and two meetings of Risk Management Committee were held, the details of which are given in the Corporate Governance Report. During the year the maximum gap between any two consecutive meetings of the Board did not exceed one hundred and twenty days.

### DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134 of the Companies Act, 2013, the Directors state that:

- a) in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2023, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 have been followed along with proper explanation relating to material departures, if any.
- b) appropriate accounting policies have been selected 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 as at 31<sup>st</sup> March, 2023 and of the profit of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Accounts have been prepared on a going concern basis;
- e) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and operating effectively.

### STATUTORY AUDITORS:

The Auditors' Report to the Members on the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 is a part of the Annual Report. The Auditors Report for the financial year 31<sup>st</sup> March, 2023 does not contain any qualification, reservation or adverse remark. During the financial year 2022-23 the Auditors had not reported any matter u/s 143 (12) of the Act, therefore no details are required to be disclosed u/s 134 (3) (ca) of the Act.

The Members of the Company had at the 96<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> July, 2022 appointed M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, bearing ICAI Firm Registration No.100186W, as Statutory Auditors of the Company to hold office for a term of five (5) consecutive years

## BOARD'S REPORT

commencing from the conclusion of 96<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 101<sup>st</sup> Annual General Meeting of the Company to be held in the year 2027. M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, will complete their first term on the conclusion of 101<sup>st</sup> AGM of the Company.

### SECRETARIAL AUDITORS AND SECRETARIAL STANDARDS:

Secretarial Audit for the financial year ended 31<sup>st</sup> March, 2023 was conducted by M/s. JHR & Associates, Company Secretaries, pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Report of the Secretarial Auditors is annexed as "Annexure B".

The Board of Directors has re-appointed M/s. JHR & Associates, Company Secretaries as the Secretarial Auditors to conduct Audit of secretarial records of the Company for the financial year ending 31<sup>st</sup> March, 2024. The Company has received written consent and eligibility certificate from them stating that the re-appointment will be in accordance with the applicable provisions of the Act and the Rules thereunder.

During the financial year 2022-23 the Secretarial Auditors had not reported any matter u/s 143(12) of the Act, therefore no details are required to be disclosed u/s 134(3) (ca) of the Act.

In accordance with SEBI Circular No.CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Company has obtained, Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2023 from the Practising Company Secretaries and submitted the same to the Stock Exchanges.

During the year 2022-23, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

### COST AUDITOR

The Board of Directors on the recommendation of the Audit Committee has approved the re-appointment of Mr. Subodh C. Mawalankar, Cost Accountant, Membership No.9041 as Cost Auditor to conduct the audit of the cost records of the Company pertaining to products following under HSN code 73059010 (MS Pipe) and Joint-Rings, 73069011 (BWSC) and 73053110 (PCCP) for the financial year ending 31<sup>st</sup> March, 2024.

The Company has received written consent and eligibility certificate from Cost Auditor stating that the re-appointment will be in accordance with the applicable provisions of the Act and the Rules thereunder.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed as "Annexure C".

### RELATED PARTY TRANSACTIONS:

The Company has formulated a policy on Related Party Transactions, which is uploaded on the Company's website. The policy deals with review and approval of related party transactions. The Board of Directors have approved the criteria for making the omnibus approval by the Audit Committee within the overall frame work of the policy on related party transactions. Omnibus approval is obtained for related party transactions, which are of repetitive nature and in the ordinary course of business and on an arm's length basis.

All related party transactions are placed before the Audit Committee for review and approval. Mr. Rajas R. Doshi, Chairman and Managing Director and Mr. Mayur R. Doshi, Executive Director are having credit balances of ₹ 0.99 Lakhs and ₹ 0.50 Lakhs respectively as of 31<sup>st</sup> March, 2023 with the Company in current account.

There are no transactions with related parties to be reported in Form AOC-2. All the related party transactions entered into during the year under review were in the ordinary course of business and on an arm's length basis.

The disclosure of transactions including with related party belonging to the Promoter/Promoter Group which holds 10% or more shareholding in the Company as per format prescribed in the Accounting Standards for annual results is given in note No. 2.32 to the Notes to Accounts.

### ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the website of the Company at link [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/AnnexF2223.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/AnnexF2223.pdf) and accordingly the extract is not published in the Annual Report.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 197 of the Act is attached as "Annexure D".

### INDUSTRIAL RELATIONS:

During the financial year 2022-23 the industrial relations with the workmen working at various units of the Company were by and large peaceful and normal. The Company has signed labour settlements with the workers working at its Chilamathur, Choutuppal and Kanhan factories and negotiations with the workers working at Karari II factory are in progress.

### PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

During the financial year under review, the Company did not receive any complaints of sexual harassment and no cases were filed under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). As per the provisions of the Act the Company has formed Internal Complaints Committees to redress the grievances of women employees under the Act.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, the Company has transferred ₹ 9,42,285/- of unclaimed dividend for the financial year 2014-15 to IEPF Authority. In terms of Section 124(6) and IEPF Rules, 2016 of the Companies Act, 2013, the Company has transferred 72,493 equity shares to IEPF Authority of those shareholders who did not claim dividend for seven consecutive years.

### NODAL OFFICER:

Mr. S.M. Mandke, Vice President - Company Secretary the Nodal Officer and Mr. Subhash L. Deshawal, Manager Secretarial the Deputy Nodal Officer for the purpose of verification of claims filed with the Company in terms of IEPF Rules and for co-ordination with the IEPF Authority. The said details are also available on the website of the Company [www.indianhumepipe.com](http://www.indianhumepipe.com)

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Business Responsibility and Sustainability Report for the financial year 2022-23 as required in terms of Regulation 34(2)(f) of SEBI Listing Regulations forms part of the Annual Report.



## BOARD'S REPORT

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### **DIVIDEND DISTRIBUTION POLICY:**

The Dividend Distribution Policy of the Company is available on the Company's web site at [www.indianhumepipe.com](http://www.indianhumepipe.com) and a web-link is [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/Dividend\\_Distribution\\_Policy.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/Dividend_Distribution_Policy.pdf)

### **GENERAL:**

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company. The Company does not have ESOS/ESOP Scheme for its employees/Directors.
3. No fraud has been reported by the auditors to the Audit Committee or the Board.
4. The Company does not have any scheme or provision of money for the purchase of its own shares by employees / Directors or by trustees for the benefit of the employees or Directors.

5. There were no proceedings made or pending under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

### **ACKNOWLEDGEMENTS:**

Your Directors record their gratitude to the Shareholders, Customers, Bankers, Government Departments, Vendors, Sub-contractors and all other Stakeholders for their continued support and co-operation during the year.

Your Directors also wish to place on record their appreciation of the services rendered by the employees of the Company.

Wishing you all good health, wealth and prosperity.

For and on behalf of the Board of Directors

**Rajas R. Doshi**  
Chairman & Managing Director  
DIN: 00050594

### **Registered Office:**

Construction House, 2<sup>nd</sup> Floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date: 16<sup>th</sup> May, 2023

# ANNEXURE TO THE BOARD'S REPORT

## ANNEXURE 'A' TO BOARD'S REPORT

During the financial year 2022-23, the CSR activities/projects undertaken directly by the Company are as under:

1. Donated GE 9100c NXT Three Gas Anaesthesia Workstation with B125M monitor to Department of Gastroenterology, B. Y. L NAIR Hospital, Mumbai at the cost of ₹ 20,00,000/-. This Anaesthesia workstation will be used by Department of Gastroenterology for various procedures like Upper GI endoscopy, Colonoscopy, ERCP etc. almost 2000 patients annually will be benefited from this medical equipment. Nair Hospital carries Endoscopy at free of cost to needy and poor patients.



GE 9100c NXT Three Gas Anesthesia Workstation with B125M monitor donated to B.Y.L. NAIR Hospital, Mumbai.

2. Donated PHILIPS – AFFINITI Cardio-Vascular Intelligent Ultrasound Color Doppler Ultrasound System with CVx option including TRANSDUCERS S5-1 Sector Array with purewave Technology to Department of Cardiology, K.E.M. Hospital, Mumbai at the cost of ₹ 35,00,000/-. This is being used by Department of Cardiology for complex interventional procedures for all cardiac problems.



Philips Affinity CVX Echocardiography system donated to K.E.M. Hospital, Mumbai

3. Donated Ophthalmic Surgical Microscope (Car Zeiss OPMI LUMERA 300) to Ophthal Department of NMMC Hospital, Vashi, Navi Mumbai at the cost of ₹ 21,40,000/-. This is being used by Ophthal Department to perform cataract surgeries at free of cost to needy and poor patients.



Ophthalmic Surgical Microscope (Car Zeiss OPMI LUMERA 300) donated to NMMC Hospital, Vashi, Navi Mumbai.

4. Donated Fractional Exhaled Nitric Oxide (FeNO) system to the department of Pulmonary medicine, B.Y.L. Nair Ch. Hospital & T. N. Medical College, Mumbai at the cost of ₹ 22,87,000/-. This is being used in routine care of patients of Bronchial Asthma, in other respiratory diseases and for postgraduate and undergraduate teaching and research at Pulmonary Medicine department.



Fractional Exhaled Nitric Oxide (FeNO) system donated to B.Y.L. NAIR Ch. Hospital, Mumbai



## ANNEXURE TO THE BOARD'S REPORT

### FORMAT OF REPORTING OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1) Brief outline on CSR Policy of the Company

IHP CSR Policy aims at implementing its CSR activities in accordance with Section 135 of the Companies Act, 2013 and rules thereunder read with Schedule VII. The CSR committee shall periodically review the implementation of CSR Policy.

**Focus Areas:**

Health & Medical aid: The Company will promote various initiatives to support health and preventive health care including medical aid in the community.

Education: Grants/Aid.

Environment: The Company will promote environmental sustainability and conservation of natural resources.

The Company's CSR projects or programs or activities will be identified and implemented according to the Board's approved CSR policy.

The CSR programs and expenditure on the CSR activities will be approved by the CSR committee, Board and the Report will be published annually. The CSR policy has been approved by the Board.

2) Composition of CSR Committee

| Sr. No. | Name of Director       | Name of Director Designation / Nature of Directorship | Number of meeting(s) of CSR Committee held during the year | Number of meeting(s) of CSR Committee attended during the year |
|---------|------------------------|---|--|--|
| 1.      | Mr. Rajas R. Doshi     | Chairman & Managing Director - Chairman               | 1  | 1  |
| 2.      | Ms. Jyoti R. Doshi     | Non-Executive Director - Member                       | 1  | 1  |
| 3.      | Mr. Rameshwar D. Sarda | Independent Director - Member                         | 1  | 1  |

3) Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. [http://indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/CSRPolicyR.pdf](http://indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/CSRPolicyR.pdf)

(b) Two percent of average net profit of the company for the financial year ended 2022-23 as per sub-section (5) of section 135 : ₹ 1,71,05,982/- (Rupees One Crore Seventy One Lakhs Five Thousand Nine Hundred Eighty Two only).

4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

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

(d) Amount required to be set off for the financial year 2021-22, if any: ₹ 1,14,363.82

5) (a) Average net profit of the Company as per sub-section (5) of section 135 : ₹ 85,52,99,107.13 (Rupees Eighty Five Crores Fifty two Lakhs Ninety Nine Thousand One Hundred Seven and Paise Thirteen only).

(e) Total CSR obligation for the financial year (5b+5c-5d) ₹ 1,69,91,618.18.

6) (a) Amount spent on CSR Projects (both Ongoing Project other than Ongoing Project) for the financial year ended 2022-23.

| Sr. No. | Name of the Project | Item from the list of activities in schedule VII of the Act   | Local area (Yes/No.) | Location of the project |          | Amount spent for the project (in ₹) | Mode of implementation Direct (Yes/No) | Mode of implementation - Through implementing agency. |                         |
|---------|---------------------|---|----------------------|-------------------------|----------|-------------------------------------|--|---|-------------------------|
|         |                     |   |                      | State                   | District |                                     |  | Name  | CSR Registration Number |
| 1.      | Health Medical Aid  | GE 9100c NXT Three Gas Anaesthesia Workstation with B125M monitor to Department of Gastroenterology, B. Y. L NAIR Hospital, Mumbai. | Yes                  | Maharashtra             | Mumbai   | 20,00,000                           | Yes                                    | N.A.  | N.A.                    |
| 2       | Health Medical Aid  | Philips Affinity CVX Echocardiography system donated to K.E.M. Hospital, Mumbai.  | Yes                  | Maharashtra             | Mumbai   | 35,00,000                           | Yes                                    | N.A.  | N.A.                    |
| 3       | Health Medical Aid  | Ophthalmic Surgical Microscope (Car Zeiss OPMI LUMERA 300) donated to NMMC Hospital, Vashi, Navi Mumbai.                            | Yes                  | Maharashtra             | Mumbai   | 21,40,000                           | Yes                                    | N.A.  | N.A.                    |
| 4       | Health Medical Aid  | Fractional Exhaled Nitric Oxide (FeNO) system donated to B.Y.L NAIR Ch. Hospital, Mumbai.   | Yes                  | Maharashtra             | Mumbai   | 22,87,000                           | Yes                                    | N.A.  | N.A.                    |

(b) Amount spent in Administrative Overheads: Nil

## ANNEXURE TO THE BOARD'S REPORT

- (c) Amount spent on Impact Assessment, if applicable: N.A.
- (d) Total amount spent for the Financial Year 2022-23 (8b + 8c + 8d + 8e): ₹ 99,27,000/-
- (e) CSR amount spent or unspent for the Financial year 2022-23

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹)  |                  |  |        |                  |
|--|--|------------------|--|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per Section 135(6). |                  | *Amount transferred to a Fund specified under Schedule VII as per second proviso to Section 135(5) of the Companies Act, 2013. |        |                  |
|  | Amount   | Date of transfer | Name of the fund   | Amount | Date of transfer |
| ₹ 99,27,000                                      | Nil  | Nil              | Nil  | Nil    | Nil              |

\* Unspent amount of ₹ 71,78,982 less excess CSR expenditure incurred for 2021-22 being set off ₹ 1,14,363.82. Total amount of ₹ 70,64,618.18 to be transferred on or before 30<sup>th</sup> September, 2023 to the Funds under Schedule VII of the Companies Act, 2013.

- (f) Excess CSR expenditure incurred for set off, if any: ₹ 1,14,363.82

| Sr. No. | Particulars   | Amount (in ₹) |
|---------|---|---------------|
| (i)     | Two percent of average net profit of the Company as per sub-section (5) of section 135                      | 1,71,05,982/- |
| (ii)    | Total amount spent for the Financial Year   | 99,27,000/-   |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | Nil           |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil           |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | Nil           |

- 7) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| Sl.No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any |                         | Amount remaining to be spent in succeeding Financial years (in ₹) | Deficiency, if any |
|--------|--------------------------|---|---|---|--|-------------------------|---|--------------------|
|        |                          |   |   |   | Amount (in ₹)  | Date of Transfer        |   |                    |
| 1      | FY-2019-20               | --  | --  | 2,80,85,000/-                             | Nil  | NA                      | --  | --                 |
| 2      | FY-2020-21               | --  | --  | 1,47,00,000/-                             | 88,65,000/-  | 08-09-2021 & 14-09-2021 | --  | --                 |
| 3      | FY-2021-22               | --  | --  | 53,06,643/-                               | 1,51,93,357/-  | 18-08-2022 & 24-08-2022 | --  | --                 |

- 8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : N.A.

financial year 31<sup>st</sup> March, 2023 i.e. on or before 30<sup>th</sup> September, 2023 as per second proviso to section 135(5) of the Companies Act, 2013 and Rules thereunder.

- 9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Reasons: Due to recurrence of COVID-19 pandemic situation with new/modified variants, there were challenges in identifying, assessing, appraising, shortlisting and selecting CSR projects and its implementation thereof. In view of these unprecedented challenges under COVID-19 pandemic situation in the country, for the Financial Year 2022-23 the Company could spend ₹ 99,27,000/- out of the committed CSR obligations of ₹ 1,71,05,982/- and was unable to spend CSR expenditure of ₹ 71,78,982/- on account of above reasons. Being non-ongoing CSR projects, the unspent CSR expenditure of ₹ 71,78,982/- less excess CSR expenditure incurred for 2021-22 being set off ₹ 1,14,363.82. The total unspent amount of ₹ 70,64,618.18 for F.Y. 2022-23 will be donated/contributed to the specified Fund/s within a period of six months from the end of the

For and on behalf of the Board of Directors,

**Rajas R. Doshi**

Chairman & Managing Director &  
Chairman of the CSR Committee

Date : 16<sup>th</sup> May, 2023



## ANNEXURE TO THE BOARD'S REPORT

### CSR Activities undertaken by Ratanchand Hirachand Foundation on behalf of the Company for the financial year 2022-23

For Financial year 2022-23 though the Company had not given any corpus donation to Ratanchand Hirachand Foundation (RHF) a section 8 company and Implementing Agency, the following CSR activities/projects were undertaken by RHF out of the income generated from corpus fund donated by the Company for past many years.

During the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023, RHF had undertaken following charitable activities.

1. **Donated MRI Compatible Laryngoscope along with Macintosh Blades** worth ₹ 8,88,384/- to the Department of Paediatric Anaesthesiology, KEM Hospital, Parel, Mumbai. These MRI compatible scopes can save the lives of children in the MRI suite as all of them need sedation or anaesthesia to keep them quite during the diagnostic or therapeutic scans.



MRI Compatible Laryngoscope along with Macintosh Blades

2. **Donated Dialysis machine Haemodialysis Machine Model - 4008S Next Generation** to NMMC Hospital, CBD, Navi Mumbai of the value of ₹ 7,50,400/-. This Dialysis machine at Dialysis Centre of NMMC Hospital will provide free of cost Dialysis treatment to needy and poor patients.



Dialysis machine Haemodialysis Machine Model - 4008S Next Generation

3. **Donated Operating and Anesthesia instruments** to the Department of Paediatric Surgery Lokmanya Tilak Municipal Medical College &

General Hospital, Sion, Mumbai of the value of ₹ 4,34,174/-. This surgical instruments will be used for almost 4500 patients per year age day 1 to 18 years old in Paediatric operation theatre which include surgeries of nervous, thoracic and urology, gastroenterology, general, etc. LTMG Hospital Sion performs Paediatric surgeries of needy and poor patients free of cost.



Operating and Anesthesia instruments

4. Educational aid to 3 students – ₹ 87,000/-.
5. Donated ₹ 5,25,000/- to "CORVUSS Public Trust (CORVUSS)", for providing free education and sport coaching including residential and accommodation for underprivileged students.
6. ₹ 25,000/- financial support to needy patient.
7. Donated ₹ 30,000/- to The Central Society for the Education of the Deaf for distributing free batteries to the needy children's.
9. Donated Gynaecological Operation Table to the Department of Obstetrics and Gynaecology of Grant Govt. Medical College & Sir J. J. Group of Hospitals, Mumbai of the value of ₹ 1,97,000/-.
10. Donated Gynaecological Operation Table to the Department of Obstetrics and Gynaecology of Cama & Albless Hospital, Mumbai of the value of ₹ 1,97,000/-.

Thus during 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 RHF had donated/spent ₹ 31,33,958/- out of the income earned on the corpus fund donated by the Company from time to time towards CSR expenditure on behalf of the Company.



## ANNEXURE TO THE BOARD'S REPORT

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

#### Form No. MR-3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2023

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

The Members,  
The Indian Hume Pipe Company Limited  
Construction House, 5, Walchand Hirachand Road,  
Ballard Estate, Fort, Mumbai -400 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Indian Hume Pipe Company Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not applicable to the Company during audit period)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during audit period);**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during audit period);**

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during 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, 2021 **(Not applicable to the Company during audit period);**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during audit period) ;**
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not applicable to the Company during audit period) ;**
- k. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

There are no laws which specifically apply to the type of activities undertaken by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

We further report that: -

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

Adequate notice of atleast seven days was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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.

As per minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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



## ANNEXURE TO THE BOARD'S REPORT

We further report that during the Audit period, consents of the members by postal ballot were accorded for: -

Approval for re-appointment of Ms. Sucheta N. Shah as an Independent Woman Director of the Company for the second consecutive term from 12<sup>th</sup> February, 2023 till the date of holding of 101<sup>st</sup> AGM of the Company to be held in the year 2027 and she shall not be liable to retire by rotation.

**For JHR & Associates**  
Company Secretaries

**J.H.Ranade**  
Partner  
FCS- 4317, CP- 2520  
UDIN:F004317E000312341

Place : Thane  
Date : 16<sup>th</sup> May,2023

The Members,  
**The Indian Hume Pipe Company Limited**  
Construction House, 5, Walchand Hirachand Road,  
Ballard Estate, Fort, Mumbai -400 001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 JHR & Associates**  
Company Secretaries

**J.H.Ranade**  
Partner  
FCS- 4317, CP- 2520

Place : Thane  
Date : 16<sup>th</sup> May,2023

## ANNEXURE 'C' TO BOARD'S REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

### DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION AS PER RULE 3(A) & 3(B)

#### 3 (A) Conservation of Energy:

##### I. The Steps Taken or impact on conservation of Energy:-

- ❖ Installed detuned Reactor for Existing APFC Panel Board at IHP Dhule factory.
  - To Reduces the harmonics Losses
  - To Reduces maximum Demand and energy consumption
  - To Increases system capacity.
  - To Increases equipment's Life Cycle
- ❖ **Conducted Power Quality Audit at IHP Dhule factory:**
  - To Improve Power Factor & system efficiency.
  - To Avoid Break-downs & production Interruptions
  - Reduces excess Energy consumption.
  - To Remove Harmonics, Surges & Transients from electrical Network.
  - Savings in Energy Bills due to reduced Losses & KVA demands.
  - Enhanced Life cycle of Electrical network & component.
  - Maximize Plant distribution Capacity
- ❖ **LED lights are being used in factories and office**
  - Energy saving

##### II. The Steps taken by the company for utilizing alternate source of energy:-

- Solar street lights are being used in our Walwa factory.
- Soar Street lights are being used in our Dhule factory.

##### III. The Capital investment on energy conservation equipments:-

Installed detuned Reactor for Existing APFC Panel Board at IHP Dhule factory ₹ 2,80,250/-

#### 3(B) TECHNOLOGY ABSORPTION:-

##### I. The efforts made toward technology absorption:-

- NIL.

##### II. The benefits derived like product improvement, cost reduction, product development or import substitution:-

- Installation of a semicircular jig and screw-jack arrangement for the plasma frame in spiral welding machine to reduce diameter wise change over time and to reduce labor at our Walwa & Kanhan Factory (Maharashtra).

## ANNEXURE TO THE BOARD'S REPORT

- Modification of Plasma cutting arrangement to get squareness and aligned cylinder cutting as per required length at our Walwa, Dhule & Kanhan Factory (Maharashtra).
- Fabricated Concrete Mixer arms and Blades design has been changed from casting to fabrication and trials are found satisfactory resulting in reduction in costs and manufacturing time.

### III. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished.

|  |   |     |
|--|---|-----|
| Technology imported  | } | NIL |
| Year of Import   |   |     |
| Has technology been fully absorbed   |   |     |
| If not fully absorbed, area which this has not taken place, reasons therefore and future plans of action |   |     |

### IV. The expenditure incurred on Research and Development:-

The total expenditure on Research & Development during the year was ₹ 478.58 Lakhs (0.31% of the turnover) as compared to ₹ 430.88 Lakhs (0.28% of the turnover) of previous year.

### 3(C) FOREIGN EXCHANGE EARNINGS & OUTGO:-

NIL

For and on behalf of the Board of Directors,

**Rajas R. Doshi**

Chairman & Managing Director

DIN: 00050594

Place : Mumbai

Date : 16<sup>th</sup> May, 2023

## ANNEXURE 'D' TO BOARD'S REPORT

### INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

#### I. (i) The ratio of remuneration of each Director to the median employee's remuneration of the Company.

| Sl. No. | Name of the Directors                              | Total Remuneration (₹) | Ratio of Remuneration of Director to Median Remuneration | Sl. No. | Name of the Directors                          | Total Remuneration (₹) | Ratio of Remuneration of Director to Median Remuneration |
|---------|--|------------------------|--|---------|--|------------------------|--|
| a.      | Mr. Rajas R. Doshi<br>Chairman & Managing Director | 3,22,48,828            | 40.27  | f.      | Mr. Rameshwar D. Sarda<br>Independent Director | 19,15,431              | 2.39   |
| b.      | Mr. Mayur R. Doshi<br>Executive Director           | 3,22,62,564            | 40.28  | g.      | Mr. Vijay Kumar Jatia<br>Independent Director  | 19,75,431              | 2.47   |
| c.      | Ms. Jyoti R. Doshi<br>Non- Executive Director      | 15,55,431              | 1.94   | h.      | Ms. Sucheta N. Shah<br>Independent Director    | 16,15,431              | 2.02   |
| d.      | Ms. Anima B. Kapadia<br>Non-Executive Director     | 14,35,431              | 1.79   |         |  |                        |  |
| e.      | Mr. Rajendra M. Gandhi<br>Independent Director     | 20,95,431              | 2.62   |         |  |                        |  |

Note: The remuneration of Non-Executive Directors other than the Managing Director and Executive Director comprises of profit commission and sitting fees.

#### (ii) The percentage increase / decrease in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary of the Company as on 31<sup>st</sup> March, 2023.

| Sl. No. | Name of the Directors/ CFO/ CEO/Company Secretary  | Total Remuneration (₹) | Increase/ Decrease (%) | Sl. No. | Name of the Directors/ CFO/CEO/ Company Secretary      | Total Remuneration (₹) | Increase/ Decrease (%) |
|---------|--|------------------------|------------------------|---------|--|------------------------|------------------------|
| a.      | Mr. Rajas R. Doshi<br>Chairman & Managing Director | 3,22,48,828            | -24.20                 | g.      | Mr. Vijay Kumar Jatia<br>Independent Director          | 19,75,431              | -0.40                  |
| b.      | Mr. Mayur R. Doshi<br>Executive Director           | 3,22,62,564            | 19.16                  | h.      | Ms. Sucheta N. Shah<br>Independent Director            | 16,15,431              | 3.33                   |
| c.      | Ms. Jyoti R. Doshi<br>Non- Executive Director      | 15,55,431              | -0.51                  | i.      | Mr. M. S. Rajadhyaksha<br>Vice President - CFO         | 49,76,677              | 12.55                  |
| d.      | Ms. Anima B. Kapadia<br>Non-Executive Director     | 14,35,431              | -8.18                  | j.      | Mr. S. M. Mandke<br>Vice President - Company Secretary | 43,32,485              | 12.76                  |
| e.      | Mr. Rajendra M. Gandhi<br>Independent Director     | 20,95,431              | -0.38                  |         |  |                        |                        |
| f.      | Mr. Rameshwar D. Sarda<br>Independent Director     | 19,15,431              | -3.42                  |         |  |                        |                        |



## ANNEXURE TO THE BOARD'S REPORT

(iii) The percentage increase in the median remuneration of employees in the financial year 2022-23

6.90%

(iv) The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2023

1407 employees.

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

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year: Nil %

Average percentile increase in the managerial remuneration:

| Managerial personnel               | 2022-23<br>(₹) | 2021-22<br>(₹) | Increase/<br>decrease (-) % |
|------------------------------------|----------------|----------------|-----------------------------|
| Remuneration of Managing Director  | 3,22,48,828    | 4,25,43,720    | -24.20                      |
| Remuneration of Executive Director | 3,22,62,564    | 2,70,75,012    | 19.16                       |

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

II. Pursuant to the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Board's report dated 16<sup>th</sup> May, 2023 for the financial year ended 31<sup>st</sup> March, 2023

Statement of names of the top ten employees in terms of remuneration drawn and the name of every employee who if employed throughout the financial year, was in receipt of remuneration for that year which in the aggregate, was not less than ₹ 1,02,00,000/-; if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in the aggregate, was not less than ₹ 8,50,000/- per month; if employed throughout the financial year or part thereof was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is 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 2% of the equity shares of the Company.

| Sr. No. | Name of the Employee and Age   | Designation                  | Remuneration received (₹) | Nature of Employment   | Qualification(s), Experience            | Date of commencement of employment | Details of previous employment                  |
|---------|--|------------------------------|---------------------------|--|---|------------------------------------|---|
| (A)     | Employed throughout the financial year and in receipt of remuneration aggregating not less than ₹ 1,02,00,000/- for the year.  |                              |                           |  |   |                                    |   |
| 1.      | Mr. Rajas R. Doshi (71)  | Chairman & Managing Director | 3,22,48,828               | General control of the business and affairs of the Company – contractual | B. E. (Civil) (48)                      | 01-01-1981                         | M/s Hindustan Construction Company Ltd. Mumbai. |
| 2.      | Mr. Mayur R. Doshi (44)  | Executive Director           | 3,22,62,564               | General control of the business and affairs of the Company - contractual | B.E. (Electronics) MS(COMP SC) USA (20) | 03-12-2007                         | Siebel Systems and Oracle Corporation USA       |
| (B)     | Employed for a part of the year and in receipt of remuneration aggregating not less than ₹ 8,50,000/- per month - NIL  |                              |                           |  |   |                                    |   |
| (C)     | If employed throughout the financial year or part thereof was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is 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 2% of the equity shares of the Company - NIL |                              |                           |  |   |                                    |   |

Notes:

- Mr. Rajas R. Doshi and Mr. Mayur R. Doshi are employed with the Company on contractual basis.
- Total remuneration includes Salary, Commission, House Rent Allowance and other Allowance, Leave Travel Allowance, payment of premium of Medicaclaim Insurance, Medical Assistance, Company's contribution to Provident Fund, Superannuation Fund, Taxable value of perquisites, etc.
- Mr. Rajas R. Doshi, Chairman & Managing Director, Mr. Mayur R. Doshi, Executive Director and Ms. Jyoti R. Doshi, Director are related to each other.

# CORPORATE GOVERNANCE REPORT

## Corporate Governance Philosophy

The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long term shareholders value and interest of all its stakeholders. Efficient conduct of its business through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

Good corporate governance has always been an integral part of the Company's business philosophy. The Company attaches significant importance to issues of Corporate Governance and has always focused on good corporate governance. Your Company has consistently made efforts in ensuring transparency, accountability and responsibility in dealing with its employees, stakeholders, customers and the community at large.

Your Company fundamentally believes that good corporate governance should be an internally driven need and is not to be looked upon as an issue of compliance dictated by statutory requirements. Your Company has systems and procedures in place to ensure that it remains fully compliant with all mandated regulations. The stipulations mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) have been complied with and is herein given below:

### I. BOARD OF DIRECTORS:

#### A. Composition of Board:

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations, which stipulates that the Board should have optimum combination of Executive and Non-Executive Directors with at least one Independent Woman Director and not less than fifty percent of the Board should comprise of Non-Executive Directors. Further, if the Chairman of the Board is an Executive Director then at least half of the Board of Directors should consist of Independent Directors.

All the Directors possess the requisite qualifications and experience in manufacturing, engineering, project execution, business management, general administration, finance and accounts, law and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

Names, categories of Directors, attendance at the Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and Board-level committee positions held by them is as under:

| Name of the Director | DIN      | Category   | Number of Board meetings held | Number of Board meetings attended | Whether attended last AGM | Number of other Board of Directorships in listed Companies* | No. of Committee Membership # |          | Whether having any pecuniary or business relation with the Company |
|----------------------|----------|--|-------------------------------|-----------------------------------|---------------------------|---|-------------------------------|----------|--|
|                      |          |  |                               |                                   |                           |   | Member                        | Chairman |  |
| Mr. Rajas R. Doshi   | 00050594 | Promoter - Chairman & Managing Director          | 7                             | 7                                 | Yes                       | Nil   | 2                             | 1        | None   |
| Mr. Mayur R. Doshi   | 00250358 | Promoter- Executive Director                     | 7                             | 7                                 | Yes                       | Nil   | 1                             | --       | None   |
| Ms. Jyoti R. Doshi   | 00095732 | Promoter- Non-Executive Non-Independent Director | 7                             | 7                                 | Yes                       | Nil   | --                            | --       | None   |

As on 31<sup>st</sup> March, 2023, the total strength of the Board is eight Directors including three women Directors out of which one is Independent Woman Director. Out of eight Directors, there are four Independent Directors, two Executive Directors and two Non-Executive Non-Independent Directors.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors.

The Senior Management of the Company is headed by Mr. Rajas R. Doshi, Chairman & Managing Director and Mr. Mayur R. Doshi, Executive Director, who operate under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and performance of the Management to ensure that the long term objectives of the Company are achieved.

The Senior Management of the Company have made disclosures to the Board that there are no material financial and commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

In the opinion of the Board of Directors all the Independent Directors fulfil the conditions specified in the Listing Regulations, the Companies Act, 2013 and the Rules thereunder and are independent of the Management.

#### B. Directors attendance and details of Directorships/ Committee Positions held:

As mandated by Listing Regulations none of the Directors on the Board is a member of more than ten Board-level committees and Chairman of more than five such committees, across all such companies in which he/she is a Director.

Further, none of the Directors of the Company serve as an Independent Director in more than seven listed entities or three listed entities in case he/she serve as a Whole Time Director/Managing Director in any listed Company as specified in Regulation 17A of Listing Regulations.



## CORPORATE GOVERNANCE REPORT

| Name of the Director   | DIN      | Category                               | Number of Board meetings held | Number of Board meetings attended | Whether attended last AGM | Number of other Board of Directorships in listed Companies* | No. of Committee Membership # |          | Whether having any pecuniary or business relation with the Company             |
|------------------------|----------|--|-------------------------------|-----------------------------------|---------------------------|---|-------------------------------|----------|--|
|                        |          |  |                               |                                   |                           |   | Member                        | Chairman |  |
| Ms. Anima B. Kapadia   | 00095831 | Non-Executive Non-Independent Director | 7                             | 5                                 | Yes                       | Nil   | 1                             | 1        | Proprietor of Daphtary Ferreira & Divan, Advocates & Solicitors of the Company |
| Mr. Rajendra M. Gandhi | 00095753 | Independent Director                   | 7                             | 7                                 | Yes                       | Nil   | 1                             | 1        | None   |
| Mr. Rameshwar D. Sarda | 00095766 | Independent Director                   | 7                             | 7                                 | Yes                       | Nil   | 1                             | -        | None   |
| Mr. Vijay Kumar Jatia  | 00096977 | Independent Director                   | 7                             | 7                                 | Yes                       | 2   | 4                             | 1        | None   |
| Ms. Sucheta N. Shah**  | 00322403 | Independent Director                   | 7                             | 7                                 | Yes                       | 3   | 5                             | 2        | None   |

\* Excludes directorship in the Company, Public unlisted Companies, private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 (i.e. associations not carrying on business for profit or which prohibits payment of dividend).

# Chairmanship/Membership of Audit Committee and Stakeholders Relationship Committee in public companies (including that of The Indian Hume Pipe Company Limited) have been considered.

\*\*Ms. Sucheta N. Shah was re-appointed as Non-Executive Independent Woman Director of the Company by Board of Directors at their meeting held on 9<sup>th</sup> February, 2023 for a second consecutive term w.e.f. 12<sup>th</sup> February, 2023 till the date of holding of 101<sup>st</sup> AGM of the Company to be held in the year 2027 and same was approved by the Members of the Company vide Special Resolution dated 25<sup>th</sup> March, 2023 passed through postal ballot by remote e-voting.

### Names of listed entity and category of Directorship as under:-

| Name of Director(s)    | DIN      | Name of Listed Company               | Category of Director(s)                  |
|------------------------|----------|--------------------------------------|--|
| Mr. Rajas R. Doshi     | 00050594 | The Indian Hume Pipe Co.Ltd.         | Chairman & Managing Director             |
| Mr. Mayur R. Doshi     | 00250358 | The Indian Hume Pipe Co.Ltd.         | Executive Director                       |
| Ms. Jyoti R. Doshi     | 00095732 | The Indian Hume Pipe Co.Ltd.         | Non-Executive & Non-Independent Director |
| Ms. Anima B. Kapadia   | 00095831 | The Indian Hume Pipe Co.Ltd.         | Non-Executive & Non-Independent Director |
| Mr. Rajendra M. Gandhi | 00095753 | The Indian Hume Pipe Co.Ltd.         | Independent Director                     |
| Mr. Rameshwar D. Sarda | 00095766 | The Indian Hume Pipe Co.Ltd.         | Independent Director                     |
| Mr. Vijay Kumar Jatia  | 00096977 | The Indian Hume Pipe Co.Ltd.         | Independent Director                     |
| Mr. Vijay Kumar Jatia  | 00096977 | Ishwarshakti Holdings & Traders Ltd. | Independent Director                     |
| Ms. Sucheta N. Shah    | 00322403 | The Indian Hume Pipe Co.Ltd.         | Independent Director                     |
| Ms. Sucheta N. Shah    | 00322403 | Jayant Agro-Organics Ltd             | Independent Director                     |
| Ms. Sucheta N. Shah    | 00322403 | Landmark Cars Ltd.                   | Independent Director                     |

### C. Number of Board Meetings

The Board of Directors met 7 times during the financial year 2022-23. The meetings were held on 27<sup>th</sup> May, 2022, 14<sup>th</sup> June, 2022, 6<sup>th</sup> July, 2022, 12<sup>th</sup> August, 2022, 29<sup>th</sup> September, 2022, 10<sup>th</sup> November, 2022 and 9<sup>th</sup> February, 2023. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

## CORPORATE GOVERNANCE REPORT

### D. Disclosure of Relationships between directors inter-se

Mr. Rajas R. Doshi, Chairman & Managing Director, Mr. Mayur R. Doshi, Executive Director and Ms. Jyoti R. Doshi, Non-Executive Non-Independent Director of the Company are related to each other and belong to the Company's Promoter group. The shareholding of Promoter group is given elsewhere in the report.

None of the other Directors of the Company are related to each other.

Ms. Anima B. Kapadia, Non-Executive Non-Independent Director of the Company, is a sole proprietor of M/s. Daphtary Ferreira & Divan, Solicitors & Advocates, one of the Solicitors & Advocates of the Company having 48 years experience as a Solicitor & Lawyer.

### E. Details of Equity Shares held by the Non-Executive Directors

| Non-executive Directors | No. of Shares held |
|-------------------------|--------------------|
| Ms. Jyoti R. Doshi      | 3,13,330           |
| Ms. Anima B. Kapadia    | 1,660              |
| Mr. Rajendra M. Gandhi  | 3,060              |
| Mr. Rameshwar D. Sarda  | 1,000              |
| Mr. Vijay Kumar Jatia   | 1,660              |
| Ms. Sucheta N. Shah     | -                  |

### F. Familiarisation Programme for Independent Directors

At the time of their appointment/re-appointment, a formal letter of appointment/re-appointment is issued to Directors, which inter alia explains the role, duties and responsibilities expected from them as Director of the Company. The Managing Director gives a brief insight on the operations of the Company, its various divisions, governance and internal control processes and other relevant information pertaining to the Company's business. Further, the Company provides updates on regulatory changes to the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Rules and Regulations from time to time.

The Company has a familiarization programme for Independent Directors with regard to their roles, responsibilities, the business model of the Company etc. The familiarization programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company.

The above initiative facilitates the Director in performing his duties diligently and trains him to fulfill his duties as a Director of the Company effectively.

Web link of details of familiarisation programme along with details imparted to Independent Directors is:

Web link of details of familiarization programme imparted to Independent Director is available at [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/FAM\\_PROGRAM.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/FAM_PROGRAM.pdf).

### G. Skills/Expertise/Competence of the Board of Directors

The Board of Directors has identified following core skills / expertise / competencies available with the Board:

|   |  |
|---|--|
| <b>Skills/Expertise/Competence of the Board of Directors</b>                  | The Board of Directors has identified following core skills / expertise / competencies available with the Board: <ul style="list-style-type: none"> <li>• Manufacturing</li> <li>• Engineering, Project execution</li> <li>• Business Management and General Administration</li> <li>• Finance &amp; Accounts</li> <li>• Law.</li> </ul> |
| <b>The Names of Directors who have such skills / expertise / competencies</b> |  |
| Mr. Rajas R. Doshi, Chairman & Managing Director                              | <ul style="list-style-type: none"> <li>• Manufacturing</li> <li>• Engineering, Project execution</li> <li>• Business Management and General Administration</li> </ul>  |
| Mr. Mayur R. Doshi, Executive Director  | <ul style="list-style-type: none"> <li>• Finance &amp; Accounts</li> </ul>   |
| Ms. Jyoti R. Doshi  | <ul style="list-style-type: none"> <li>• Business Management &amp; General Administration</li> </ul>   |
| Ms. Anima B. Kapadia  | <ul style="list-style-type: none"> <li>• Law</li> </ul>  |
| Mr. Rajendra M. Gandhi  | <ul style="list-style-type: none"> <li>• Business Management, Finance &amp; Accounts</li> </ul>  |
| Mr. Rameshwar D. Sarda  | <ul style="list-style-type: none"> <li>• Business Management and General Administration</li> </ul>   |
| Mr. Vijay Kumar Jatia   | <ul style="list-style-type: none"> <li>• Business Management and General Administration</li> <li>• Finance &amp; Accounts</li> </ul>   |
| Ms. Sucheta N. Shah   | <ul style="list-style-type: none"> <li>• Business Management &amp; Finance</li> </ul>  |

### H. Independent Directors

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act and rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they meet the criteria of independence as provided in the clause (b) of sub-regulation (1) of Regulation 16 and that they are not aware of any circumstance or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

The link on draft appointment letter of Independent Directors is posted on the website of the Company i.e. [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/APPOINTMENTLETTER.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/APPOINTMENTLETTER.pdf)

The Company has been taking Directors and Officers Liability Insurance (D & O) Policy since the year 2009 even before it became mandatory pursuant to the amendment to the Listing Regulations providing coverage to the Directors, KMP and Senior Management and Officers of the Company.



# CORPORATE GOVERNANCE REPORT

## I. Information to the Board

A detailed agenda folder is sent to each Director seven days in advance of the Board Meetings. As a policy, all major decisions involving investments and capital expenditure, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. All the agenda items are backed by necessary supporting information and documents. As per Secretarial Standard on Meetings of the Board, the notes on items of business which are in the nature of unpublished price sensitive information are circulated separately to enable the Board to take informed decisions.

The Board periodically reviews compliance reports of all applicable laws to the Company, as well as steps taken by the Company to rectify instances of non-compliances. It monitors overall strategy and business plans, operating performance and reviews such other items which require Board's attention. The Board directs and guides the activities of the Management towards the set goals and seeks accountability. The agenda for the Board Meeting covers items as set out in the Listing Regulations, 2015 to the extent these are relevant and applicable. All agenda items are supported by relevant information and documents to enable the Board to take informed decision.

## J. Code of Conduct

The Board of Directors has devised Code of Conduct for all its Executive Directors and Senior Management Personnel, Non-Executive Non-Independent Directors, Independent Directors. The Codes of Conduct are available on the website of the Company: [www.indianhumepipe.com](http://www.indianhumepipe.com). All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by Mr. Rajas R. Doshi, Chairman & Managing Director is given in this report.

## K. Performance Evaluation and Independent Directors Meeting

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, annual performance evaluation of the Board as well as Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee and Risk Management Committee has been carried out by the Board.

The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The performance evaluation criteria of Independent Directors was in line with the criteria specified vide SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated January 5, 2017.

In the opinion of the Board of Directors, all the Independent Directors fulfil the criteria of independence as provided under the Act, rules made thereunder and the Listing Regulations and that they are independent of the management.

## L. Director seeking re-appointment

Mr. Rajas R. Doshi, Chairman & Managing Director who retires by rotation and being eligible offers himself for re-appointment.

Ms. Anima B. Kapadia, Non-Executive Director retires by rotation and being eligible offers herself for re-appointment.

The profiles of the Directors seeking re-appointment are given in the Notice of AGM and Explanatory Statement.

## II. AUDIT COMMITTEE

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee acts in accordance with the terms of reference, which is in line with the regulatory requirements mandated by the Companies Act, 2013, the rules thereunder and Listing Regulations.

The Committee has 3 members and all are Independent Directors. Mr. Rajendra M. Gandhi is the Chairman, Mr. Rameshwar D. Sarda and Mr. Vijay Kumar Jatia are members of the Committee.

The Company Secretary acts as the Secretary to the Committee.

Besides having access to all the required information of the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditor and the Board of Directors of the Company.

It is authorised to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters. The Committee is empowered to review the remuneration payable to the Statutory Auditors and to recommend a change in Auditors, if felt necessary. It is also empowered to review and approve Financial Statements, Management Discussion & Analysis Report and related party transactions. Generally, all items listed in the Listing Regulations and Section 177 of the Companies Act, 2013 are covered in the terms of reference. The Audit Committee has been granted powers as prescribed under the Companies Act and the Listing Regulations.

Five committee meetings were held during the year from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 on following dates:

|                                |                                 |
|--------------------------------|---------------------------------|
| 27 <sup>th</sup> May, 2022     | 14 <sup>th</sup> June, 2022     |
| 12 <sup>th</sup> August, 2022  | 10 <sup>th</sup> November, 2022 |
| 9 <sup>th</sup> February, 2023 |                                 |

The attendance of the members at these meetings are as under:

| Sr. No. | Members  | Meetings Attended |
|---------|--|-------------------|
| 1.      | Mr. Rajendra M. Gandhi - Chairman of the Committee | 5                 |
| 2.      | Mr. Rameshwar D. Sarda                             | 5                 |
| 3.      | Mr. Vijay Kumar Jatia                              | 5                 |

The Chairman of the Audit Committee was present at the 96<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> July, 2022 to answer members' queries.

All the Members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, management, accounting practices and internal controls.

The meetings of the Audit Committee were also attended by the Chairman & Managing Director, Executive Director, Business Heads, Vice President - Company Secretary, Vice President - CFO, General Manager - Internal Audit and Statutory Auditor.



## CORPORATE GOVERNANCE REPORT

In accordance with Section 177 of the Companies Act, 2013 and Listing Regulations, the Board of Directors of the Company has specified following terms of reference for the Audit Committee.

The Terms of reference of the Audit Committee:

- oversight of the listed entity'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 listed entity;
- 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:
  - a. 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;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds 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 public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up thereon;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- 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.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Review of information by Audit Committee:

- management discussion and analysis of financial condition and results of operations;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 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).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).



## CORPORATE GOVERNANCE REPORT

### III. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. Vijay Kumar Jatia, Chairman, Independent Director, Mr. Rajendra M. Gandhi, Independent Director and Mr. Rajas R. Doshi, Chairman & Managing Director of the Company.

During the year two Committee meetings were held on 26<sup>th</sup> May, 2022 and 9<sup>th</sup> February, 2023. The attendance at these meetings was as under:

| Sr. No. | Members   | Meeting Attended |
|---------|---|------------------|
| 1.      | Mr. Vijay Kumar Jatia - Chairman of the Committee | 2                |
| 2.      | Mr. Rajendra M. Gandhi - Member                   | 2                |
| 3.      | Mr. Rajas R. Doshi - Member                       | 2                |

The terms of reference of the Nomination and Remuneration Committee, inter-alia, includes the following:

- formulation of 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;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidate

The remuneration paid / payable to Non-Executive Directors for the year ended 31<sup>st</sup> March, 2023 is as under:

| Non-Executive Directors | Sitting Fees (₹) | Commission* (₹)  | Total (₹)          |
|-------------------------|------------------|------------------|--------------------|
| Ms. Jyoti R. Doshi      | 4,80,000         | 10,75,431        | 15,55,431          |
| Ms. Anima B. Kapadia    | 3,60,000         | 10,75,431        | 14,35,431          |
| Mr. Rajendra M. Gandhi  | 10,20,000        | 10,75,431        | 20,95,431          |
| Mr. Rameshwar D. Sarada | 8,40,000         | 10,75,431        | 19,15,431          |
| Mr. Vijay Kumar Jatia   | 9,00,000         | 10,75,431        | 19,75,431          |
| Ms. Sucheta N. Shah     | 5,40,000         | 10,75,431        | 16,15,431          |
| <b>Total :</b>          | <b>41,40,000</b> | <b>64,52,586</b> | <b>1,05,92,586</b> |

\* Provision has been made in accounts for the year 2022-23.

#### B. (i) Remuneration of the Managing Director for the year ended 31<sup>st</sup> March, 2023.

Remuneration payable to the Managing Director for the period of 5 years w.e.f. 1<sup>st</sup> July, 2018 to 30<sup>th</sup> June, 2023 had been recommended by the Nomination and Remuneration Committee and approved by the Board at their meetings held on 23<sup>rd</sup> May, 2018 and Shareholders at the Annual General Meeting held on 20<sup>th</sup> July, 2018.

- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- 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.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

#### Remuneration Policy

The Remuneration Policy of the Company has been provided in the Board's Report which forms part of this Annual Report.

### IV. REMUNERATION OF DIRECTORS

#### A. Remuneration to Non-Executive Directors for the year ended 31<sup>st</sup> March, 2023.

Non-Executive Directors are paid sitting fees of ₹ 60,000/- each for every meeting of the Board or Committee attended by them.

In the Annual General Meeting held on 4<sup>th</sup> September, 2020, the members had approved payment of commission, not exceeding 1% of the net profits of the Company or an amount not exceeding ₹ 65 Lakhs in aggregate, whichever is less, per financial year, to Non-Executive Directors for a further period of three financial years commencing from the year 2020-21 to 2022-23.

The Board of Directors at their meeting held on 16<sup>th</sup> May, 2023, has determined the commission to be paid to all Non-Executive Directors for the financial year 2022-23 as under:

#### (ii) Remuneration of the Executive Director for the year ended 31<sup>st</sup> March, 2023.

Remuneration payable to the Executive Director w.e.f. 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2025 had been recommended by the Nomination and Remuneration Committee and approved by the Board at their meetings held on 27<sup>th</sup> May, 2022 and Shareholders at the Annual General Meeting held on 28<sup>th</sup> July, 2022.

## CORPORATE GOVERNANCE REPORT

The details of remuneration paid/payable to the Managing Director and Executive Director for the year ended 31<sup>st</sup> March, 2023 is as under:

| Executive Directors                                | Salary, Perquisites and Allowances (₹) | Company's contribution to funds (₹) | Commission (₹) | Total (₹)   | Contract Period  |
|--|--|-------------------------------------|----------------|-------------|--|
| Mr. Rajas R. Doshi<br>Chairman & Managing Director | 2,62,14,328                            | 60,34,500                           | --             | 3,22,48,828 | 5 years with effect from 1 <sup>st</sup> July, 2018 to 30 <sup>th</sup> June, 2023 |
| Mr. Mayur R. Doshi<br>Executive Director           | 2,63,89,364                            | 31,75,200                           | 26,98,000      | 3,22,62,564 | With effect from 1 <sup>st</sup> July, 2022 to 30 <sup>th</sup> June, 2025         |

### Notes:

- Service Contract in case of Chairman & Managing Director is five years from 1<sup>st</sup> July, 2018 to 30<sup>th</sup> June, 2023 and in case of Executive Director is from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2025 and Notice period applicable to Managing Director and Executive Director is six months.
- The Company has not issued stock options.
- No such performance-linked incentive are given to the Directors of the Company except the profit commission to the Directors as approved by the Shareholders.
- There is no separate provision for payment of severance fees.

### V. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee comprises of three Directors viz. Ms. Anima B. Kapadia (Chairperson) Non-Executive Director, Mr. Rajas R. Doshi, Chairman & Managing Director and Ms. Sucheta N. Shah, Independent Director.

Mr. S. M. Mandke, Vice President - Company Secretary is the Compliance Officer.

During the year one Committee meeting was held on 10<sup>th</sup> November, 2022. The attendance at the meeting was as under:

| Sr. No. | Members   | Meeting Attended |
|---------|---|------------------|
| 1.      | Ms. Anima B. Kapadia - Chairperson of the Committee | Yes              |
| 2.      | Mr. Rajas R. Doshi - Member                         | Yes              |
| 3.      | Ms. Sucheta N. Shah - Member                        | Yes              |

Transmission, Transposition, deletion of names etc. requests from the Shareholders/ claimant(s) are approved weekly by the Chairman & Managing Director/Executive Director.

During the year 2022-23 the Company has not received any complaints from the shareholders of the Company.

#### The Committee deals with the following matters:

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

### VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors at their meeting held on 27<sup>th</sup> May, 2014.

Mr. Rajas R. Doshi, Chairman & Managing Director, is the Chairman of the Committee and Ms. Jyoti R. Doshi, Non-Executive Director and Mr. Rameshwar D. Sarda, Independent Director are Members of the CSR Committee.

The terms of reference of the Corporate Social Responsibility Committee (CSR) is as under:

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 Section 135 of Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII;

To recommend the amount of expenditure to be incurred on the activities in terms of the CSR Policy;

To monitor the CSR Policy of the Company from time to time;

Such other Terms of Reference as may be specified from time to time under the Companies Act, 2013, Rules thereunder and Schedule VII of the Act.

During the year one Committee meeting were held on 27<sup>th</sup> May, 2022. The attendance at the meeting was as under:

| Sr. No. | Members  | Meeting Attended |
|---------|--|------------------|
| 1.      | Mr. Rajas R. Doshi - Chairman of the Committee | 1                |
| 2.      | Ms. Jyoti R. Doshi - Member                    | 1                |
| 3.      | Mr. Rameshwar D. Sarda - Member                | 1                |

### VII. RISK MANAGEMENT COMMITTEE

The Risk Management Committee was voluntarily constituted by the Board of Directors at their meeting held 12<sup>th</sup> November, 2014.



## CORPORATE GOVERNANCE REPORT

Pursuant to the Regulation 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 read with SEBI (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulation, 2021 the Board of Directors at their meeting held on 12<sup>th</sup> June, 2021 has re-constituted the Risk Management Committee of the Company with immediate effect and adopted revised role of the Committee.

During the year two Committee meetings were held viz on 8<sup>th</sup> September, 2022 and 2<sup>nd</sup> March, 2023. The attendance at the meetings was as under:

| Sr. No. | Members  | Meetings Attended |
|---------|--|-------------------|
| 1.      | Mr. Rajas R. Doshi, Chairman & Managing Director and Chairman of the Committee | 2                 |
| 2.      | Mr. Mayur R. Doshi, Executive Director, Member                                 | 2                 |
| 3.      | Mr. Rajendra M. Gandhi, Independent Director, Member                           | 2                 |

The role of the Committee is as below:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability

(particularly, Environment, Society & Governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Policy is adopted by the Board.

### VIII. GENERAL BODY MEETINGS:

94<sup>th</sup>, 95<sup>th</sup> and 96<sup>th</sup> Annual General Meetings of the Company were held through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) on 4<sup>th</sup> September, 2020, 26<sup>th</sup> August, 2021 and 28<sup>th</sup> July, 2022, respectively.

The date and time of the Annual General Meetings and the special resolutions passed there at are as under:

| Year    | Date       | Time      | Special Resolutions   |
|---------|------------|-----------|---|
| 2019-20 | 04-09-2020 | 2.30 p.m. | (i) Payment of Commission to Non-Executive Directors not exceeding 1% of net profits of the Company or an amount not exceeding ₹ 65 Lakhs in aggregate, whichever is less, per financial year for a period of 3 years from the financial year 2020-21 to 2022-23  |
|         |            |           | (ii) Section 180(1)(a) of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 in respect of creation of mortgages/charges in respect of working capital facilities and other loans, facilities availed/to be availed from the Company’s Bankers and/ or other Banks, Lenders etc. from time to time. |
| 2020-21 | 26-08-2021 | 2.30 p.m. | No Special Resolution was passed in the 95 <sup>th</sup> AGM held on 26 <sup>th</sup> August, 2021  |
| 2021-22 | 28-07-2022 | 2.30 p.m. | Re-appointment of Mr. Mayur R. Doshi, as Executive Director of the Company for a further period of 3 years with effect from 1 <sup>st</sup> July, 2022 to 30 <sup>th</sup> June, 2025.  |

#### Postal Ballot

During the financial year 2022-23, Special Resolution was passed on 25<sup>th</sup> March, 2023 for re-appointment of Ms. Sucheta N. Shah as a Non-Executive Independent Woman Director of the Company for the second consecutive term from 12<sup>th</sup> February, 2023 till the date of holding of 101<sup>st</sup> AGM of the Company to be held in the year 2027.

The postal ballot was conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. In view of the COVID-19 pandemic, the MCA permitted companies to transact items through postal ballot as per the framework set out in MCA Circulars.

In accordance with the aforementioned circulars, remote e-voting facility was provided to all the shareholders to cast their votes only through the remote e-voting process as per Notice of Postal Ballot dated 9<sup>th</sup> February, 2023, for the Re-appointment of Ms. Sucheta N. Shah as an Independent Woman Director of the Company. The Company had published notices in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through remote e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within 2 working days of conclusion of the voting period. The results are displayed on the website of the

## CORPORATE GOVERNANCE REPORT

Company ([www.indianhumepipe.com](http://www.indianhumepipe.com)) and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolution, if passed by the requisite majority, are deemed to have been passed on the last date of e-voting.

The aforesaid Special resolution was duly passed and the results of postal ballot/remote e-voting were announced on 27<sup>th</sup> March, 2023. Mr. J. H. Ranade/ Mr. Sohan J. Ranade/ Ms. Tejaswi P. Jogal (any one of them), Partners of JHR & Associates, Company Secretaries were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

### IX. MEANS OF COMMUNICATION

The quarterly, half yearly & yearly results are published in Business Standard and Sakal, Mumbai which are national and local dailies. The financial results and official news releases are displayed on the Company's website <http://www.indianhumepipe.com> and on the websites of BSE and NSE.

### X. GENERAL SHAREHOLDER INFORMATION

#### (i) Annual General Meeting

The Ninety Seventh Annual General Meeting of the Company will be held on Thursday, 3<sup>rd</sup> August, 2023 at 2.30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the business as stated in the Notice of the Meeting.

#### (iv) Listing of Equity Shares on Stock Exchanges, Stock Codes and ISIN

|  |               |
|--|---------------|
| BSE Ltd. (BSE)<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort, Mumbai- 400001.  | 504741        |
| National Stock Exchange of India Ltd. (NSE) Exchange Plaza,<br>C-1, Block G, Bandra Kurla Complex,<br>Bandra (E), Mumbai – 400 051 | INDIANHUME    |
| International Securities Identification Number (ISIN) No.  | INE 323C01030 |

The Company has paid Listing Fees for the financial year 2023-24 to BSE Ltd and National Stock Exchange of India Ltd.

#### (v) Stock Market price data:

High/low prices during each month in last financial year on BSE Ltd. and National Stock Exchange of India Limited.

| Month          | BSE Ltd. |         | National Stock Exchange of India Ltd. |         |
|----------------|----------|---------|---------------------------------------|---------|
|                | High (₹) | Low (₹) | High (₹)                              | Low (₹) |
| April 2022     | 206      | 180     | 207                                   | 178     |
| May 2022       | 193      | 151     | 184                                   | 151     |
| June 2022      | 174      | 136     | 167                                   | 135     |
| July 2022      | 164      | 136     | 160                                   | 137     |
| August 2022    | 183      | 148     | 183                                   | 148     |
| September 2022 | 188      | 159     | 188                                   | 159     |
| October 2022   | 186      | 156     | 186                                   | 157     |
| November 2022  | 179      | 154     | 179                                   | 154     |
| December 2022  | 171      | 142     | 171                                   | 141     |
| January 2023   | 157      | 141     | 157                                   | 142     |
| February 2023  | 161      | 132     | 161                                   | 132     |
| March 2023     | 143      | 116     | 140                                   | 116     |

#### (ii) Financial Calendar 2023-24

Financial year: 1<sup>st</sup> April to 31<sup>st</sup> March.

Unaudited Financial Results with Limited Review for quarter ended:

June, 2023 - by 14<sup>th</sup> August, 2023.

September, 2023 - by 14<sup>th</sup> November, 2023.

December, 2023 - by 14<sup>th</sup> February, 2024.

Audited financial results for the year ended 31<sup>st</sup> March, 2024 - by end of May, 2024.

AGM for the year ended 31<sup>st</sup> March, 2024 - by end of July/August, 2024.

Note: The above dates are indicative.

**Dividend payment date:** 8<sup>th</sup> August, 2023.

#### (iii) Book Closure

Saturday, 22<sup>nd</sup> July, 2023 to Thursday, 3<sup>rd</sup> August, 2023 (both days inclusive)



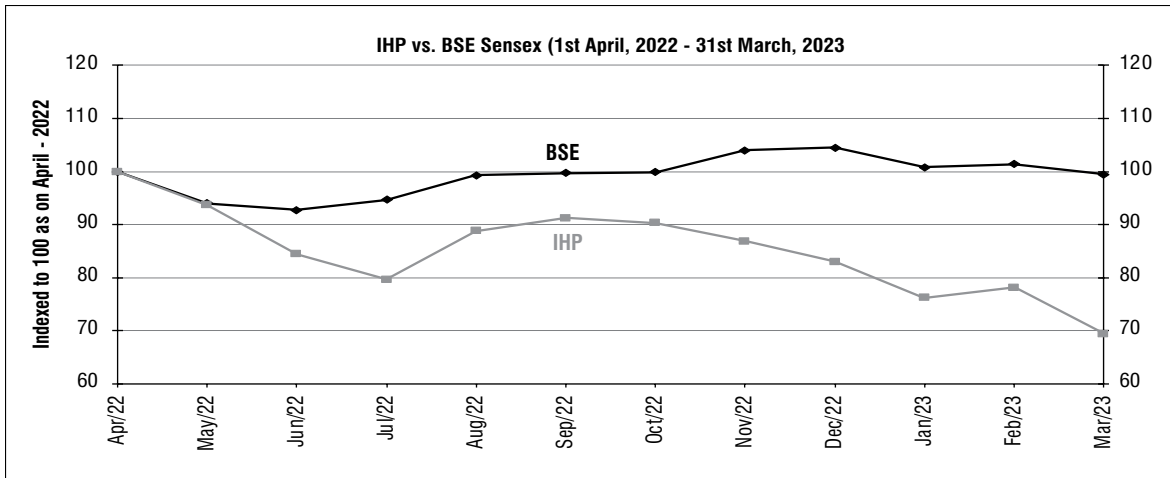
## CORPORATE GOVERNANCE REPORT

### (vi) Stock Performance in comparison to BSE Sensex.

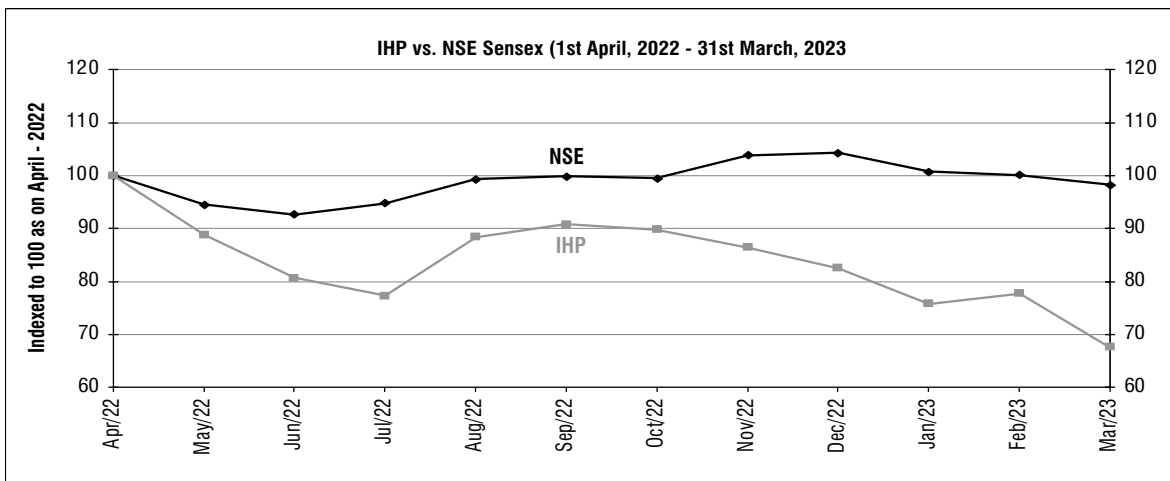
| Month          | BSE Sensex |       |       |       | IHP Price (₹) |      |     |       |
|----------------|------------|-------|-------|-------|---------------|------|-----|-------|
|                | Open       | High  | Low   | Close | Open          | High | Low | Close |
| April 2022     | 58531      | 60845 | 56009 | 57061 | 180           | 206  | 180 | 181   |
| May 2022       | 56429      | 57184 | 52632 | 55566 | 182           | 193  | 151 | 162   |
| June 2022      | 55588      | 56433 | 50921 | 53019 | 162           | 174  | 136 | 142   |
| July 2022      | 52863      | 57619 | 52094 | 57570 | 142           | 164  | 136 | 155   |
| August 2022    | 57823      | 60411 | 57367 | 59537 | 156           | 183  | 148 | 177   |
| September 2022 | 58711      | 60676 | 56147 | 57427 | 174           | 188  | 159 | 160   |
| October 2022   | 57404      | 60787 | 56683 | 60747 | 160           | 186  | 156 | 164   |
| November 2022  | 61066      | 63303 | 60425 | 63100 | 166           | 179  | 154 | 161   |
| December 2022  | 63358      | 63583 | 59754 | 60841 | 163           | 171  | 142 | 156   |
| January 2023   | 60871      | 61344 | 58699 | 59550 | 156           | 157  | 141 | 144   |
| February 2023  | 60001      | 61682 | 58796 | 58962 | 146           | 161  | 132 | 132   |
| March 2023     | 59136      | 60498 | 57085 | 58992 | 133           | 143  | 116 | 121   |

### (vii) Performance in comparison to the BSE Sensex & NSE Nifty:

The following charts show the performance of price of Company's Shares as compared to the BSE Sensex & NSE Nifty during the year 2022-23.



BSE Sensex and IHP Shares Prices are indexed to 100 at the beginning of April, 2022.



NSE Nifty and IHP Shares Prices are indexed to 100 at the beginning of April, 2022

## CORPORATE GOVERNANCE REPORT

### (viii) Registrar and Share Transfer Agent

M/s. Link Intime India Pvt. Ltd. Unit: The Indian Hume Pipe Company Limited. C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083. Tel. No. 022-49186270 Fax No. 022-49186060 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

### (ix) Share Transfer System

All requests for transmission, transposition, name deletion etc of shares held physically are processed by the Registrar and Share Transfer Agent of the Company and approved weekly by the Chairman & Managing Director/Executive Director and noted in the meetings of the Board of Directors.

### (x) Shareholding pattern as on 31<sup>st</sup> March, 2023

| Sr. No. | Description                             | Number of Shares   | % to paid-up capital |
|---------|---|--------------------|----------------------|
| 1.      | Promoters *                             | 3,38,74,770        | 69.92                |
| 2.      | Other Directors & Relatives             | 18,319             | 0.04                 |
| 3.      | Mutual Funds                            | 6,55,638           | 1.35                 |
| 4.      | Banks                                   | 63,320             | 0.13                 |
| 5.      | Foreign Portfolio Investor Category-I   | 21,331             | 0.04                 |
| 6.      | IEPF Authority                          | 4,44,096           | 0.92                 |
| 7.      | Non Resident Indians (NRI)              | 3,82,756           | 0.79                 |
| 8.      | Bodies Corporate                        | 14,69,451          | 3.03                 |
| 9.      | Trusts                                  | 1,600              | 0.00                 |
| 10.     | Body Corporate LLP                      | 19,665             | 0.04                 |
| 11.     | Hindu Undivided Family                  | 5,87,874           | 1.21                 |
| 12.     | Clearing Member                         | 5,107              | 0.01                 |
| 13.     | Foreign Portfolio Investor Category-III | 1,000              | 0.00                 |
| 14.     | Public                                  | 1,09,02,243        | 22.50                |
|         | <b>TOTAL</b>                            | <b>4,84,47,170</b> | <b>100.00</b>        |

\* Presently IHP Finvest Limited a Promoter Group Company has pledged its 1,16,94,995 Equity Shares representing 24.14% of the paid-up capital of the Company for collateral security of working capital loans availed by subsidiary- The Indian Hume Pipe Co. Ltd.

### (xi) Distribution of shareholding as on 31<sup>st</sup> March, 2023

| Shares Held       | No. of Shareholders | % to Shareholders | No. of Shares   | % to paid-up capital |
|-------------------|---------------------|-------------------|-----------------|----------------------|
| Up to – 500       | 21970               | 85.04             | 2428990         | 5.01                 |
| 501 – 1000        | 1876                | 7.26              | 1500393         | 3.10                 |
| 1001 – 2000       | 931                 | 3.60              | 1426977         | 2.95                 |
| 2001 – 3000       | 373                 | 1.44              | 941500          | 1.94                 |
| 3001 – 4000       | 188                 | 0.73              | 674564          | 1.39                 |
| 4001 – 5000       | 124                 | 0.48              | 575682          | 1.19                 |
| 5001 – 10000      | 224                 | 0.87              | 1607122         | 3.32                 |
| 10001 - and above | 148                 | 0.57              | 39291942        | 81.10                |
| <b>TOTAL</b>      | <b>25834</b>        | <b>100.00</b>     | <b>48447170</b> | <b>100.00</b>        |

### (xii) Dematerialization of Shares and Liquidity as on 31<sup>st</sup> March, 2023.

Physical Form : 0.91 %  
Dematerialised Form : 99.09 %

Trading in equity shares of the Company is permitted in dematerialized form only as mandated by Securities and Exchange Board of India.

### (xiii) Transfer of unclaimed physical share certificates to unclaimed suspense account in demat mode.

Pursuant to the erstwhile Listing Agreement / Listing Regulations, the unclaimed share certificates of the shareholders on account of sub-division of face value of share of ₹ 10/- each to ₹ 2/- each lying with the Company were transferred to 'IHP-Unclaimed Shares Suspense Account' after giving three reminders to these shareholders requesting them to claim their shares. Thereafter few shareholders had claimed their shares.

Accordingly the Company had opened a demat account in the name of 'IHP-Unclaimed Shares Suspense Account' with Stock Holding Corporation of India Ltd (DP) and dematted 1,49,370 Equity Shares belonging to 180 shareholders. The Company had allotted bonus shares in December, 2016 and 1,29,715 bonus shares were credited to IHP Unclaimed Shares Suspense Account.

During the financial year 2020-21 the Company has dematted 60,015 Bonus shares belonging to 59 shareholders which was returned undelivered by postal authority and lying with the Company were transferred to Unclaimed Suspense Account after giving three reminders to these shareholders requesting them to claim their shares.

IHP-Unclaimed Shares Suspense Account with Stock Holding Corporation of India Ltd. (DP) as of 31<sup>st</sup> March, 2023 is as under:

| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. as on 01-04-2022 |              | Number of shareholders who approached the Company and Company has Transferred the Shares from the suspense account during the year |              | Number of shareholders and number of shares transferred to IEPF Demat Account for the financial year 2022-23 |              | Aggregate number of shareholders and the outstanding share in the suspense account laying at the end of the year i.e. as on 31-03-2023 |              |
|--|--------------|--|--------------|--|--------------|--|--------------|
| No. of Holders   | No of Shares | No. of Holders   | No of Shares | No. of Holders   | No of Shares | No. of Holders   | No of Shares |
| 58   | 96,880       | 3  | 2,415        | 12   | 46,060       | 43   | 48,405       |

As per the Listing Regulations the voting rights on these shares in the above Unclaimed Suspense Account shall remain frozen till the rightful owners of such shares claim the shares.

Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc., shall also be credited to above IHP-Unclaimed Shares Suspense Account, for a period of seven years and thereafter shall be transferred to IEPF Authority by the Company in accordance with provisions of the Companies Act, 2013 and rules thereunder.

### (xiv) Nomination facility for Shares

As per the provisions of the Companies Act, 2013, facility for making nomination is available to the Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.



## CORPORATE GOVERNANCE REPORT

### (xv) Permanent Account Number (PAN)

- (i) Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders/legal heirs shall be submitted to the Company while transfer, transposition, transmission and issue of duplicate share certificates.
- (ii) As mandated by SEBI the shareholders holding shares in physical form are requested to submit copy of PAN card(s) and original copy of cancelled cheque leaf/attested copy of bank pass book showing name of the account holder(s) to M/s. Link Intime India Pvt. Ltd. (RTA).

### (xvi) Outstanding ADRs / GDRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity.

The Company has not issued any ADRs / GDRs / Warrants or any convertible instruments.

### (xvii) Plant Locations

There are 19 factories. The locations are indicated in the MAP at the end of the Annual Report.

### (xviii)(a) Compliance Officer

Mr. S. M. Mandke, Vice President - Company Secretary & Compliance Officer

#### (b) Address for correspondence

Share Department, Construction House, 2<sup>nd</sup> floor,  
5, Walchand Hirachand Road, Ballard Estate,  
Mumbai - 400 001  
Tel. : 022-22618091 / 22618092 / 40748181  
Fax : 022-22656863  
E-mail : investors@indianhumepipe.com /  
info@indianhumepipe.com

Any Member/Investor whose grievance has not been resolved satisfactorily, may write to the Company Secretary at the Registered Office with a copy of the correspondence.

### (xix) Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by practising Company Secretary in whole-time practice with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The certificate from the practising Company Secretary with regard to the same is submitted to BSE Ltd and National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

### (xx) Credit Ratings

During the year CARE Ratings Limited has reviewed and evaluated its rating for Long Term Bank facilities as CARE BBB+; Stable (Triple B Plus; Outlook: Stable), Long Term/ Short Term Bank facilities as CARE BBB+; Stable / Care A2 (Triple B Plus; Outlook: Stable / A Two), Short Term Bank Facilities as CARE A2 (A Two).

The details of Credit Ratings reviewed during the year by CARE Ratings Ltd. are uploaded on website of the Company at [www.indianhumepipe.com](http://www.indianhumepipe.com)

## XI. OTHER DISCLOSURES

### a. Related Party Disclosures

Details of related party transactions i.e. transactions of the Company of material nature with ultimate holding Company, holding Company, Key Managerial Personnel (KMP), relatives of KMP, Companies in which control exists directly or indirectly, Companies in which Director is interested and other related parties are presented in the Notes to the Financial Statements. All the details of the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participated in the discussion, nor voted on such matters. During the financial year 2022-23, there were no materially significant related party transactions entered by the Company that may have a potential conflict with the interests of the Company at large. All the related party transactions entered into during the year were in the ordinary course of business and on an arm's length basis.

As required, the Company has formulated a Related Party Transaction Policy which is available on the website of the Company i.e. [www.indianhumepipe.com](http://www.indianhumepipe.com)

[http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/Related\\_party\\_Policy.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/Related_party_Policy.pdf).

### b. Details of non-compliance etc.

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

### c. Vigil Mechanism / Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities. The Company has Vigil Mechanism administered by the Audit Committee. No personnel of the Company has been denied access to the Audit Committee. The Vigil Mechanism Policy is posted on the website of the Company [www.indianhumepipe.com](http://www.indianhumepipe.com).

### d. Compliance with mandatory & non-mandatory requirements

The Company has complied with all the mandatory requirements of Listing Regulations relating to Corporate Governance.

Further, the Company has adopted following non-mandatory requirement of Listing Regulations:

During the year under review, there is no audit qualification in the Auditor's Report. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

### e. Details of utilisation of Funds

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation, 32(7A) of SEBI (LODR), Regulations, 2015 during the financial year ended 31<sup>st</sup> March, 2023. However the Board has accorded approval to issue 42,34,600 equity shares on preferential basis to promoters and members of promoter group at their meeting held on 16<sup>th</sup> May, 2023.



## CORPORATE GOVERNANCE REPORT

### f. Certificate from Company Secretary in practice

The Company has obtained a certificate from a firm of Company Secretaries in practice that none of the Directors of the Company have been debarred/disqualified from being appointed or continue as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such Statutory Authority. Certificate is reproduced below.

#### CERTIFICATE

Based on our verification of the records maintained by The Indian Hume Pipe Company Limited(CIN: L51500MH1926PLC001255) (hereinafter called 'the Company') including declarations / notices received from its Directors and also information / record available on the website(s) of the Ministry of Corporate Affairs, Securities and Exchange Board of India and Stock Exchanges where the equity shares of the Company are listed, we hereby certify that, during the Financial year 2022-23, none of the Directors on the Board of the Company were debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority.

This certificate is being issued as per the requirements of Schedule V (C) (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For JHR & Associates  
Company Secretaries

J. H. Ranade  
(Partner)

FCS: 4317, CP:2520

UDIN:F004317E000312341

Place : Thane  
Date :16<sup>th</sup> May, 2023

### g. Total Fees paid to Statutory Auditors

Total fees for all services paid by the Company to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part was ₹ 52,42,557/-.

### h. Disclosures in relation to the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Committees have been set up to redress complaint(s) regarding sexual harassment.

### i. Disclosures of compliance with Corporate Governance requirements under Regulation 17 to 27 & Regulation 46(2)(b) to (i) of Listing Regulations

The Company has complied with all the mandatory clauses of Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of the regulation 46 of the Listing Regulations from the respective dates of its applicability.

### j. CEO/CFO Certification

As required under Listing Regulations, the Chairman & Managing Director and the Vice President - CFO of the Company have issued a certificate to the Board of Directors, for the year ended 31<sup>st</sup> March, 2023, which is annexed to this report.

## CERTIFICATION BY CEO AND CFO UNDER REGULATION 17(8) OF SEBI LISTING REGULATIONS

The Board of Directors,  
The Indian Hume Pipe Co. Ltd.

We have reviewed the Financial Statements, and the Cash Flow Statement of The Indian Hume Pipe Co. Ltd. for the year ended 31<sup>st</sup> March, 2023 and that to the best of our knowledge and belief, we state that:

- A. (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.  
(ii) These statements together present true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violating the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and have disclosed to the Auditors and to the Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee;
  1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

M. S. Rajadhyaksha  
Vice President - CFO

Rajas R. Doshi  
Chairman & Managing Director  
DIN: 00050594

Place : Mumbai  
Date : 16<sup>th</sup> May, 2023



## CORPORATE GOVERNANCE REPORT

### DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I, Rajas R. Doshi, Chairman & Managing Director of The Indian Hume Pipe Co. Ltd., hereby confirm that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2023.

**Rajas R. Doshi**  
**Chairman & Managing Director**  
**DIN: 00050594**

**Place : Mumbai**  
**Date : 16<sup>th</sup> May, 2023**

### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

#### TO THE MEMBERS OF The Indian Hume Pipe Company Limited

This certificate is issued in accordance with the terms of our engagement letter dated August 02, 2022.

We, K S Aiyar & Co, Chartered Accountants, the Statutory Auditors of **The Indian Hume Pipe Company Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

#### Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the 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 and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March 2023.

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

**For K. S. Aiyar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No: 100186W

**Sachin A. Negandhi**  
**Partner**  
Membership No.: 112888  
UDIN: 23112888BGQVBB9110

**Place : Mumbai**  
**Date : May 16, 2023**

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

|     |  |   |
|-----|--|---|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity   | L51500MH1926PLC001255   |
| 2.  | Name of the Listed Entity  | THE INDIAN HUME PIPE COMPANY LIMITED  |
| 3.  | Year of incorporation  | 1926  |
| 4.  | Registered office address  | Construction House,<br>2 <sup>nd</sup> Floor, 5, Walchand Hirachand Road,<br>Ballard Estate, Mumbai – 400001          |
| 5.  | Corporate address  | N.A.  |
| 6.  | E-mail   | info@indianhumepipe.com   |
| 7.  | Telephone  | 022- 22618091/ 92<br>022- 40748181  |
| 8.  | Website  | www.indianhumepipe.com  |
| 9.  | Financial year for which reporting is being done   | 2022-23   |
| 10. | Name of the Stock Exchange(s) where shares are listed  | BSE Limited<br>National Stock Exchange of India Limited   |
| 11. | Paid-up Capital  | ₹ 968.94 Lakhs  |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | Mr. S. M. Mandke, Vice President-Company Secretary<br>Tel. : 022- 22618091/92<br>Email : investors@indianhumepipe.com |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Standalone  |

#### II. Products/services

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

| Sr. No. | Description of Main Activity     | Description of Business Activity   | % of Turnover of the entity |
|---------|----------------------------------|--|-----------------------------|
| 1       | Construction of utility projects | Construction and maintenance of projects relating to water supply, irrigation, sanitation and sewerage systems and pipe manufacturing. | 100                         |

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

| Sr. No. | Product/Service  | NIC Code                      | % of total Turnover contributed |
|---------|--|-------------------------------|---------------------------------|
| 1       | Construction and maintenance of projects relating to water supply, irrigation, sanitation and sewerage systems and pipe manufacturing. | 42204, 42205,<br>23955, 24311 | 100                             |

#### III. Operations

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

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 19               | 21                | 40    |
| International | 0                | 0                 | 0     |



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### 17. Markets served by the entity:

#### a. Number of locations

| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 13     |
| International (No. of Countries) | 0      |

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

#### c. A brief on types of customers

The Indian Hume Pipe Company Limited ("Company") is in business of manufacturing, laying and jointing pipelines. The Company has also been undertaking infrastructure development programmes by way of execution on turnkey basis i.e. construction and maintenance of projects relating to water supply, irrigation, sanitation and sewerage systems. The Company also manufactures and supplies concrete Railway Sleepers to Indian Railways. The Company's customers are Central Government, various State Governments and Local bodies.

## IV. Employees

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

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

| Sr. No.          | Particulars                    | Total (A) | Male    |           | Female  |           |
|------------------|--------------------------------|-----------|---------|-----------|---------|-----------|
|                  |                                |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES</b> |                                |           |         |           |         |           |
| 1.               | Permanent (D)                  | 955       | 921     | 96.44     | 34      | 3.56      |
| 2.               | Other than Permanent (E)       | 90        | 89      | 98.89     | 1       | 1.11      |
| 3.               | <b>Total employees (D + E)</b> | 1045      | 1010    | 96.65     | 35      | 3.35      |
| <b>WORKERS</b>   |                                |           |         |           |         |           |
| 4.               | Permanent (F)                  | 146       | 146     | 100       | -       | -         |
| 5.               | Other than Permanent (G)       | 216       | 216     | 100       | -       | -         |
| 6.               | <b>Total workers (F + G)</b>   | 362       | 362     | 100       | -       | -         |

#### b. Differently abled Employees and workers:

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

### 19. Participation/Inclusion/Representation of women

|                            | Total (A) | No. and percentage of Females |           |
|----------------------------|-----------|-------------------------------|-----------|
|                            |           | No. (B)                       | % (B / A) |
| Board of Directors*        | 8         | 3                             | 37.50     |
| Key Management Personnel** | 4         | -                             | -         |

\* Includes Chairman & Managing Director and Executive Director

\*\*Includes the Chairman & Managing Director, Executive Director, Chief Financial Officer and Company Secretary

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

|                         | FY 2022-23<br>(Turnover rate in current FY) |        |       | FY 2021-22<br>(Turnover rate in previous FY) |        |       | FY 2020-21<br>(Turnover rate in the year prior to the previous FY) |        |       |
|-------------------------|---|--------|-------|--|--------|-------|--|--------|-------|
|                         | Male  | Female | Total | Male   | Female | Total | Male   | Female | Total |
| Permanent Employees (%) | 15.87                                       | 4.65   | 20.52 | 16.45  | 4.8    | 16.45 | 9.18   | 1.8    | 9.18  |
| Permanent Workers (%)   | 2.83  | -*     | 2.83  | 3.87   | -*     | 3.87  | 2.10   | -*     | 2.10  |

\*There were no female workers in the employment of the Company during financial year 2022-23, 2021- 22 and 2020-21.

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

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

| Sr. No. | Name of the holding/ subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|--|--|-----------------------------------|--|
| 1.      | IHP Finvest Limited  | Holding  | 65.92                             | No   |
| 2.      | Ratanchand Investment Private Limited                                      | Ultimate Holding   | 1.80                              | No   |

### VI. CSR Details

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

(ii) Turnover (in ₹): 1,54,288.46 Lakh

(iii) Net worth (in ₹): 69,531.97 Lakh

### VII. Transparency and Disclosures Compliances

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

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No)<br><i>(If Yes, then provide web-link for grievance redress policy)</i>  | FY 2022-23                                 |  |         | FY 2021-22                                 |  |         |
|---|---|--|--|---------|--|--|---------|
|   |   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | The Company has an internal mechanism in place to monitor the implementation of the CSR projects and the concerns of the beneficiary community.   | -  | -  | -       | -  | -  | -       |
| Investors (other than shareholders)               | Not applicable  |  |  |         |  |  |         |
| Shareholders                                      | Yes   | -  | -  | -       | -  | -  | -       |
| Employees and workers                             | The Company has various policies in place which enables the employees to express their views and grievances inter-alia including for POSH and Whistle blower mechanism. As and when required meetings will be held between the HR Team and the employees for soliciting their feedback. | -  | -  | -       | -  | -  | -       |
| Customers   | The Company held meetings whenever required with the customers for understanding their requirement, feedback and suggestions.   | -  | -  | -       | -  | -  | -       |
| Value Chain Partners                              | Not applicable  | -  | -  | -       | -  | -  | -       |



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

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

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                         | In case of risk, approach to adapt or mitigate                        | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------|--|--|---|--|
| 1.      | Health & Safety           | Risk                                       | Non-compliance of the safety practice.                                   | Strict adherence to safety rules.                                     | Negative   |
| 2.      | Market                    | Risk                                       | Specific Tender related Projects by various State Government Departments | Beyond our control.   | Negative   |
| 3.      | Financial                 | Risk                                       | Initial project Implementation & Borrowing cost.                         | Depends on time to time policies of the State Government Departments. | Negative   |
| 4.      | Human Resources           | Risk / Opportunity                         | Attract and retain Key talents / Well-being of the Human resources.      | By adhering to fair pay norms and equal opportunity for all.          | Positive / Negative.   |
| 5.      | Training & Education      | Opportunity                                | Imparts knowledge.   | Providing proper training courses.                                    | Positive.  |

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

|           |   |
|-----------|---|
| <b>P1</b> | Business should conduct and govern themselves with Ethics, Transparency and Accountability  |
| <b>P2</b> | Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle                                     |
| <b>P3</b> | Businesses should promote the wellbeing of all employees  |
| <b>P4</b> | Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized |
| <b>P5</b> | Businesses should respect and promote human rights  |
| <b>P6</b> | Business should respect, protect, and make efforts to restore the environment   |
| <b>P7</b> | Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner  |
| <b>P8</b> | Businesses should support inclusive growth and equitable development  |
| <b>P9</b> | Businesses should engage with and provide value to their customers and consumers in a responsible manner  |

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

| Disclosure Questions                        |  | P1  | P2   | P3  | P4 | P5 | P6 | P7 | P8  | P9 |    |  |    |    |    |    |    |    |    |    |    |
|---|--|---|--|---|----|----|----|----|---|----|----|--|----|----|----|----|----|----|----|----|----|
| <b>Policy and management processes</b>      |  |   |  |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 1.  | a.   | <b>Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b> |  | Yes. The Company has various policies in place which have been approved by the Board / other appropriate authority in the Management. These policies capture the essence of the principles of the NGRBCs. These policies have been devised to ensure adherence to all applicable laws and regulations while considering best practices in the industry. |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
|   | b.   | <b>Has the policy been approved by the Board? (Yes/ No)</b>   |  | Yes. The policies wherever mandated by applicable laws/regulations are duly approved by the Board.  |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
|   | c.   | <b>Web Link of the Policies, if available</b>   |  | <a href="http://www.indianhumepipe.com/AboutUs/Investors/Policies.aspx">http://www.indianhumepipe.com/AboutUs/Investors/Policies.aspx</a>   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 2.  | <b>Whether the entity has translated the policy into procedures. (Yes / No)</b>  |   | Yes. The policies have been translated into procedures as per their applicability.   |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 3.  | <b>Do the enlisted policies extend to your value chain partners? (Yes/No)</b>  |   | No   |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 4.  | <b>Name of the national and international codes certifications/labels/ standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>  |   | The products manufactured are as per: IS 784, IS 15155, IS 3589, IS 1916, IS 458, IRS T 39.<br>The working factories of the Company are having ISO 9001:2015 and BIS License.                |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 5.  | <b>Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>   |   | The Company has been taking steps for replacing of the existing lighting, Air conditioners and other electronic appliances with energy efficient and highly rated equipment.                 |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 6.  | <b>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>  |   | Nil  |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| <b>Governance, leadership and oversight</b> |  |   |  |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 7.  | <b>Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b><br><br>This is first Business Responsibility and Sustainability Report (BRSR) of the Company.<br>The Company is committed to integrating environmental, social and governance (ESG) principles into its businesses which is central to improving the quality of life of the communities it serves. |   |  |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 8.  | <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>  |   | Mr. Rajas R. Doshi, Chairman and Managing Director (DIN : 0050594) and Mr. Mayur R. Doshi, Executive Director (DIN : 00250358) under the guidance and supervision of the Board of Directors. |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 9.  | <b>Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.</b>   |   | Yes. The Risk Management Committee (RMC) of the Board of Directors is responsible for decision making on sustainability related issues.  |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 10.   | <b>Details of Review of NGRBCs by the Company:</b>   |   |  |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
|   | <b>Subject for Review</b>  |   |  | <b>Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</b>   |    |    |    |    | <b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b> |    |    |  |    |    |    |    |    |    |    |    |    |
|   |  |   |  | P1  | P2 | P3 | P4 | P5 | P6  | P7 | P8 | P9   | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|   | <b>Performance against above policies and follow up action</b>   |   |  | Annual evaluation of the performance of the Company on various aspects including NGRBC Principles to the extent applicable.   |    |    |    |    | Annually  |    |    |  |    |    |    |    |    |    |    |    |    |
|   | <b>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</b>  |   |  | The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the respective HOD's, CFO and CS to the Board of Directors.   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |
| 11.   | <b>Has the entity carried out independent Assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</b>  |   | P1   | P2  | P3 | P4 | P5 | P6 | P7  | P8 | P9 | Independent assessment / evaluation of the working of its policies by an external agency has not been carried out. |    |    |    |    |    |    |    |    |    |
| 12.   | <b>If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:</b>  |   | Not Applicable   |   |    |    |    |    |   |    |    |  |    |    |    |    |    |    |    |    |    |



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

#### Essential Indicators:

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

| Segment   | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact  | %age of persons in respective category covered by the awareness programmes |
|---|--|--|--|
| Board of Directors and Key Managerial Personnel | 7<br>(as part of Board Meetings)                       | Updates and awareness related to regulatory changes given to the Board of Directors and Key Managerial Personnel from time to time. Topics covered includes:-<br>1) Corporate Governance<br>2) Companies Act, 2013<br>3) SEBI Regulations  | 100%   |
| Employees other than BoD and KMPs               | 111  | Various training and awareness session are being conducted and provided to the Employees at regular intervals which covered following topics:-<br>1) Value based capability development programme<br>2) Skill Development programme<br>3) Behavioral Training<br>4) Code of Conduct of Employees | 62%  |
| Workers   | 9  | Health & Safety related training and awareness sessions are being conducted and provided to the workers at regular intervals.  | 43%  |

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

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

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed. Not Applicable



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Yes. The Anti-corruption or Anti-bribery Policy is available at website of the Company and the web-link to the policy is [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/Anti\\_corruption\\_Anti\\_bribery\\_Policy.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/Anti_corruption_Anti_bribery_Policy.pdf)

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

|           | FY 2022-23 | FY 2021-22 |
|-----------|------------|------------|
| Directors | Nil        | Nil        |
| KMPs      | Nil        | Nil        |
| Employees | Nil        | Nil        |
| Workers   | Nil        | Nil        |

There were no instances of any disciplinary action taken against Directors/KMPs/Employees/Workers.

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

|  | FY 2022-23 |         | FY 2021-22 |         |
|--|------------|---------|------------|---------|
|  | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | NIL        | NIL     | NIL        | NIL     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | NIL        | NIL     | NIL        | NIL     |

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

Not Applicable

### Leadership Indicators:

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

Not Applicable

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

Yes, the Company has adopted the Code of Conduct, which is applicable to the Board Members and Senior Management explaining the circumstances to avoid that may likely lead to conflict of interest.

### PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

#### Essential Indicators:

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

|       | FY 2022-23<br>(₹) | FY 2021-22<br>(₹) | Details of improvements in environmental an social impacts         |
|-------|-------------------|-------------------|--|
| R&D   | 478.58 Lakhs      | 430.88 Lakhs      | Expenditure in new product formulation for improving the products. |
| Capex | 181.69 Lakhs      | 1,703.89 Lakhs    | Expenditure incurred for improving in quality.                     |

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

Yes.

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

The Company undertakes Vendor selection through assessing their past performances and capabilities. The general condition of the contract covering like; abolition of Child labour, welfare of the labours engaged by the contractor and Environment related screening parameters by various standard guidelines.



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for
- (a) **Plastics (including packaging):** There are no plastic wastages, Only HDPE Worn gaps are disposed by following the local authority's guidelines.
  - (b) **E-waste:** Not Applicable
  - (c) **Hazardous waste:** Not Applicable
  - (d) **Other waste (Concrete Waste):** Making Cube Bricks and using for own consumption.
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
- No. The Empty Cement Plastic Bags are sold to the scrap dealers and some quantities are used for providing packing / bedding in the transportation of pipes (filled with Rebound Waste /Gravels).

### Leadership Indicators:

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**
- No
2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.** Not Applicable
3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

| Indicate input material                    | Recycled or re-used input material to total material |            |
|--|--|------------|
|  | FY 2022-23   | FY 2021-22 |
| Sprinkler water                            | 80%  | 80%        |
| Water used of Hydrostatic testing of pipes | 90%  | 90%        |

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

|                                | FY 2022-23<br>(in metric tonnes) |          |                 | FY 2021-22<br>(in metric tonnes) |          |                 |
|--------------------------------|----------------------------------|----------|-----------------|----------------------------------|----------|-----------------|
|                                | Re-Used                          | Recycled | Safely Disposed | Re-Used                          | Recycled | Safely Disposed |
| Plastics (including packaging) | NA                               | NA       | 83.31           | NA                               | NA       | 58.01           |
| E-waste                        | NA                               | NA       | NA              | NA                               | NA       | NA              |
| Hazardous waste                | NA                               | NA       | NA              | NA                               | NA       | NA              |
| Other waste (Concrete waste)   | 504.19                           | NA       | NA              | 366.00                           | NA       | NA              |

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.** Not Applicable

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

#### Essential Indicators:

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

| Category                              | Total (A)   | % of employees covered by |            |                    |              |                    |          |                    |          |                     |          |
|---------------------------------------|-------------|---------------------------|------------|--------------------|--------------|--------------------|----------|--------------------|----------|---------------------|----------|
|                                       |             | Health insurance          |            | Accident insurance |              | Maternity benefits |          | Paternity benefits |          | Day care facilities |          |
|                                       |             | Number (B)                | % (B/A)    | Number (C)         | % (C/A)      | Number (D)         | % (D/A)  | Number (E)         | % (E/A)  | Number (F)          | % (F/A)  |
| <b>Permanent employees</b>            |             |                           |            |                    |              |                    |          |                    |          |                     |          |
| Male                                  | 1003        | 1003                      | 100        | 757                | 75.47        | -                  | -        | -                  | -        | -                   | -        |
| Female                                | 35          | 35                        | 100        | 35                 | 100.00       | -                  | -        | -                  | -        | -                   | -        |
| <b>Total</b>                          | <b>1038</b> | <b>1038</b>               | <b>100</b> | <b>792</b>         | <b>76.30</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>            | <b>-</b> |
| <b>Other than Permanent employees</b> |             |                           |            |                    |              |                    |          |                    |          |                     |          |
| Male                                  | -           | -                         | -          | -                  | -            | -                  | -        | -                  | -        | -                   | -        |
| Female                                | -           | -                         | -          | -                  | -            | -                  | -        | -                  | -        | -                   | -        |
| <b>Total</b>                          | <b>-</b>    | <b>-</b>                  | <b>-</b>   | <b>-</b>           | <b>-</b>     | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>            | <b>-</b> |

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

| Category                            | Total (A)  | % of employees covered by |          |                    |               |                    |          |                    |          |                     |          |
|-------------------------------------|------------|---------------------------|----------|--------------------|---------------|--------------------|----------|--------------------|----------|---------------------|----------|
|                                     |            | Health insurance          |          | Accident insurance |               | Maternity benefits |          | Paternity benefits |          | Day care facilities |          |
|                                     |            | Number (B)                | % (B/A)  | Number (C)         | % (C/A)       | Number (D)         | % (D/A)  | Number (E)         | % (E/A)  | Number (F)          | % (F/A)  |
| <b>Permanent workers</b>            |            |                           |          |                    |               |                    |          |                    |          |                     |          |
| Male                                | 170        | -                         | -        | 170                | 100.00        | -                  | -        | -                  | -        | -                   | -        |
| Female                              | -          | -                         | -        | -                  | -             | -                  | -        | -                  | -        | -                   | -        |
| <b>Total</b>                        | <b>170</b> | <b>-</b>                  | <b>-</b> | <b>170</b>         | <b>100.00</b> | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>            | <b>-</b> |
| <b>Other than Permanent workers</b> |            |                           |          |                    |               |                    |          |                    |          |                     |          |
| Male                                | -          | -                         | -        | -                  | -             | -                  | -        | -                  | -        | -                   | -        |
| Female                              | -          | -                         | -        | -                  | -             | -                  | -        | -                  | -        | -                   | -        |
| <b>Total</b>                        | <b>-</b>   | <b>-</b>                  | <b>-</b> | <b>-</b>           | <b>-</b>      | <b>-</b>           | <b>-</b> | <b>-</b>           | <b>-</b> | <b>-</b>            | <b>-</b> |

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

| Benefits               | FY 2022-23   |  |  | FY 2021-22   |  |  |
|------------------------|--|--|--|--|--|--|
|                        | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted & deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted & deposited with the authority (Y/N/N.A.) |
| PF                     | 99.33  | 100.00   | Y  | 99.33  | 100.00   | Y  |
| Gratuity               | 99.33  | 100.00   | Y  | 99.33  | 100.00   | Y  |
| ESI                    | 13.97  | 100.00   | Y  | 16.44  | 100.00   | Y  |
| Others- please specify | -  | -  | -  | -  | -  | -  |

#### 3. Accessibility of workplaces

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

We recognise the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016 and are taking proactive steps to support the needs of individuals with disabilities. Our Company has implemented various measures to provide accessible infrastructure, lifts, accessible parking, fire alarm. When it comes to our plants, we maintain a commitment to accessibility by ensuring that the floors are predominantly situated at ground level, allowing for easy access for everyone. Additionally, we are preparing the remaining factories and offices for accessibility infrastructure and aim to achieve the minimum mandatory standards required under the Rights of Persons with Disabilities Act, 2016.

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

Yes. The equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 is available at website of the Company and the web-link to the policy is [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/Equal\\_Opportunity\\_Policy.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/Equal_Opportunity_Policy.pdf)



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

| Gender       | Permanent employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | 0                   | 0              | 0                   | 0              |
| Female       | 0                   | 0              | 0                   | 0              |
| <b>Total</b> | 0                   | 0              | 0                   | 0              |

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

Yes, The Company has formulated a policy on prevention of sexual harassment at workplace for prevention, prohibition and redressal. The ICC (Internal Complaints Committee) has been also set up to redress any such complaints received. The safety committee has also set up at plants to handle grievances related to safety.

|                                | Yes/No<br>(If Yes, then give details of the mechanism in brief) |
|--------------------------------|---|
| Permanent Workers              | Yes   |
| Other than Permanent Workers   | Yes   |
| Permanent Employees            | Yes   |
| Other than Permanent Employees | Yes   |

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

| Category                         | FY 2022-23   |  |         | FY 2021-22                                     |  |         |
|----------------------------------|--|--|---------|--|--|---------|
|                                  | Total Employees/workers in respective category (A) | No. of employees/workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees/workers in respective category | No. of employees/workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| <b>Total Permanent Employees</b> | -  | -  | -       | -  | -  | -       |
| -Male                            | -  | -  | -       | -  | -  | -       |
| -Female                          | -  | -  | -       | -  | -  | -       |
| <b>Total Permanent Workers</b>   | 367  | 367  | 100     | 298  | 298  | 100     |
| -Male                            | 367  | 367  | 100     | 298  | 298  | 100     |
| -Female                          | -  | -  | -       | -  | -  | -       |

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

| Category         | FY 2022-23 |                               |           |                      |           | FY 2021-22 |                               |           |                      |           |
|------------------|------------|-------------------------------|-----------|----------------------|-----------|------------|-------------------------------|-----------|----------------------|-----------|
|                  | Total (A)  | On Health and safety measures |           | On Skill upgradation |           | Total (D)  | On Health and safety measures |           | On Skill upgradation |           |
|                  |            | No. (B)                       | % (B / A) | No. (C)              | % (C / A) |            | No. (E)                       | % (E / D) | No. (F)              | % (F / D) |
| <b>Employees</b> |            |                               |           |                      |           |            |                               |           |                      |           |
| Male             | 118        | 40                            | 33.89     | 78                   | 83.06     | 1162       | 98                            | 8.44      | 0                    | 0         |
| Female           | 6          | 2                             | 33.33     | 4                    | 66.6      | 34         | 0                             | 0         | 0                    | 0         |
| <b>Total</b>     | 124        | 42                            | 33.87     | 82                   | 66.12     | 1196       | 98                            | 8.44      | 0                    | 0         |
| <b>Workers</b>   |            |                               |           |                      |           |            |                               |           |                      |           |
| Male             | 86         | 66                            | 76.74     | 20                   | 23.25     | 276        | 16                            | 5.79      | 0                    | 0         |
| Female           | -          | -                             | -         | -                    | -         | 0          | 0                             | 0         | 0                    | 0         |
| <b>Total</b>     | 86         | 66                            | 76.74     | 20                   | 23.25     | 276        | 16                            | 5.79      | 0                    | 0         |

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Eligible employees and workers have received performance and career development review. Promotion parameter based on performance appraisal.

### 10. Health and safety management system:

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

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**  
Not applicable

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

Yes, the workers through internal platform can report work related hazards. All the work monitored and actioned upon through internal safety committee.

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

Yes, the employees are covered under the Company's group health insurance policy, group personal accident policy, ESIC covered employees and workmen's compensation covered employees.

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

| Safety Incident/Number   | Category  | FY 2022-23 | FY 2021-22 |
|--|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR)<br>(per one million-person hours worked) | Employees | -          | 0          |
|  | Workers   | -          | 0.21       |
| Total recordable work-related injuries   | Employees | -          | 0.04       |
|  | Workers   | -          | 0.24       |
| No. of fatalities  | Employees | 1          | 0          |
|  | Workers   | -          | 0          |
| High consequence work-related injury or ill-health<br>(excluding fatalities)     | Employees | -          | 0          |
|  | Workers   | -          | 0          |

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

The Company's manufacturing plants equipment's are designed on consideration of statutory requirements for health and safety workplace, applicable Indian standard. Keys focus areas remain safety of employees to avoid manual interfaces with machines. On regular basis the Company provide training on health and safety to concern employees.

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

|                    | FY 2022-23            |                                       |         | FY 2021-22            |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | -                     | -                                     | -       | -                     | -                                     | -       |
| Health & Safety    | -                     | -                                     | -       | -                     | -                                     | -       |

### 14. Assessments for the year:

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100%  |
| Working Conditions          | 100%  |



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

The safety related incidents are monitored and reviewed by internal safety committee.

**Leadership Indicators:**

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).  
No
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. Yes. Obligations of ensuring payment of statutory dues have been documented in the contracts with value chain partners.
3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

|           | Total no. of affected employees/ workers |            | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |            |
|-----------|--|------------|---|------------|
|           | FY 2022-23                               | FY 2021-22 | FY 2022-23  | FY 2021-22 |
| Employees | -  | -          | -   | -          |
| Workers   | -  | -          | -   | -          |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) No
5. Details on assessment of value chain partners: Not applicable
6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. Not applicable

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**Essential Indicators:**

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

The Company is committed to be responsible business player by adhering to high standards of corporate governance and continues to be a good corporate citizen. We follow a structured processes for identification and prioritization of stakeholder groups. The Company ensures to balance the interests of diverse stakeholder groups in all strategic decision making process and timely respond to their concerns on Environmental, Social and Governance issues.

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

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                              |
|-------------------|--|---|---|--|
| Shareholders      | No   | Email, Newspaper Advertisement, Website   | Quarterly/ Annually   | Quarterly/ Annually Financial Results  |
| Employees         | No   | Emails, Internal communications, Notice Board,  | Regular   | Performance appraisal, Career growth, Skill development trainings, Fair remuneration, safe workplace, employee satisfaction. |
| Communities       | No   | Other   | Need based  | Implementation of CSR activities across the key scope areas like Health, Education and Medical/ equipments/aid.              |

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## Leadership Indicators:

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

The Company conducts consultations with the internal and external stakeholders on need basis.

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

Yes. The Company has identified the focus areas for CSR programme.

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

Not Applicable.

## PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

The Company places a strong emphasis on upholding and protecting human rights in all aspects of its operations. It promote diversity, inclusivity, and equality within our workforce, fostering a culture that values and respects the rights of every individual. It engages in fair and ethical labor practices, providing the employees with safe working conditions, fair wages, and opportunities for professional growth.

Through ongoing stakeholder engagement, continuously strive to identify and address any potential human rights risks, aiming to create a positive and responsible impact on the communities it operate in.

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

| Category             | FY 2022-23 |                       |           |                        |           | FY 2021-22 |                       |           |                        |           |
|----------------------|------------|-----------------------|-----------|------------------------|-----------|------------|-----------------------|-----------|------------------------|-----------|
|                      | Total (A)  | Equal to Minimum Wage |           | More than Minimum Wage |           | Total (D)  | Equal to Minimum Wage |           | More than Minimum Wage |           |
|                      |            | No. (B)               | % (B / A) | No. (C)                | % (C / A) |            | No. (E)               | % (E / D) | No. (F)                | % (F / D) |
| <b>Employees</b>     |            |                       |           |                        |           |            |                       |           |                        |           |
| Permanent            | 1010       | -                     | -         | 1010                   | 100       | 987        | -                     | -         | 987                    | 100       |
| Male                 | 975        | -                     | -         | 975                    | 100       | 954        | -                     | -         | 954                    | 100       |
| Female               | 35         | -                     | -         | 35                     | 100       | 33         | -                     | -         | 33                     | 100       |
| Other than Permanent | 35         | -                     | -         | 35                     | 100       | 21         | -                     | -         | 21                     | 100       |
| Male                 | 35         | -                     | -         | 35                     | 100       | 21         | -                     | -         | 21                     | 100       |
| Female               | -          | -                     | -         | -                      | -         | -          | -                     | -         | -                      | -         |
| <b>Workers</b>       |            |                       |           |                        |           |            |                       |           |                        |           |
| Permanent            | 146        | -                     | -         | 146                    | 100       | 240        | -                     | -         | 240                    | 100       |
| Male                 | 146        | -                     | -         | 146                    | 100       | 240        | -                     | -         | 240                    | 100       |
| Female               | -          | -                     | -         | -                      | -         | -          | -                     | -         | -                      | -         |
| Other than Permanent | 216        | 216                   | 100       | -                      | -         | 224        | 224                   | 100       | -                      | -         |
| Male                 | 216        | 216                   | 100       | -                      | -         | 224        | 224                   | 100       | -                      | -         |
| Female               | -          | -                     | -         | -                      | -         | -          | -                     | -         | -                      | -         |

3. Details of remuneration/salary/wages, in the following format:

|                                  | Male   |   | Female |   |
|----------------------------------|--------|---|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category ₹ | Number | Median remuneration/ salary/ wages of respective category ₹ |
| Board of Directors (BoD)         | 2      | 6,45,11,392   | -      | -   |
| Key Managerial Personnel         | 2      | 93,09,162   | -      | -   |
| Employees other than BoD and KMP | 1239   | 65,58,88,206  | 47     | 2,09,85,873   |
| Workers                          | 776    | 6,72,85,480   | -      | -   |

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

The Human Resource Policies and initiatives of the Company, directly or indirectly promote and protect of Human Rights.



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

The Company's Vigil Mechanism/ Whistle Blower Policy provide a mechanism for employees and directors to report their genuine concerns or grievances enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

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

|                                   | FY 2022-23            |                                       |         | FY 2021-22            |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                   | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment                 | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Discrimination at workplace       | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Child Labour                      | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Forced Labour/ Involuntary Labour | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Wages                             | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Other human rights related issues | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

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

The Company has formulated a policy on prevention of sexual harassment at workplace for prevention, prohibition and Redressal. The ICC (Internal Complaints Committee) has been also set up to redress any such complaints received.

### 8. Do human rights requirements form part of your business agreements and contracts (yes/no)?

Yes. All our business agreements specifically provide for labour law compliances to be adhered to by all our sub-contractors and timely payment of statutory dues.

### 9. Assessments for the year:

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

### 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. No.

#### Leadership Indicators:

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

We have not encountered any concern requiring a change in the business processes as a result of addressing human rights grievances/complaints.

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

The Company places a strong emphasis on upholding and protecting human rights in all aspects of its operations. It actively promote diversity, inclusivity, and equality within our workforce, fostering a culture that values and respects the rights of every individual. It engages in fair and ethical labor practices, providing the employees with safe working conditions, fair wages, and opportunities for professional growth.

Through ongoing stakeholder engagement, continuously strive to identify and address any potential human rights risks, aiming to create a positive and responsible impact on the communities it operate in.

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

We recognise the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016 and are taking proactive steps to support the needs of individuals with disabilities. Our Company has implemented various measures to provide accessible infrastructure, lifts, accessible parking, fire alarm. When it comes to our plants, we maintain a commitment to accessibility by ensuring that the floors are predominantly situated at ground level, allowing for easy access for everyone. Additionally, we are preparing the remaining factories and offices for accessibility infrastructure and aim to achieve the minimum mandatory standards required under the Rights of Persons with Disabilities Act, 2016.

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

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

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



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

### Essential Indicators:

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

| Parameter   | FY 2022-23                 | FY 2021-22                 |
|---|----------------------------|----------------------------|
| Total electricity consumption (A)   | 4902.57 Giga Joules        | 5262.87 Giga Joules        |
| Total fuel consumption (B)  | 1782.61 Giga Joules        | 2368.69 Giga Joules        |
| Energy consumption through other sources (C)***                                       | 0.00                       | 0.00                       |
| <b>Total energy consumption (A+B+C)</b>   | <b>6685.18 Giga Joules</b> | <b>7631.56 Giga Joules</b> |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) | 1.24 Giga Joules/Lakhs     | 1.14 Giga Joules/Lakhs     |

\*\*\* D.G Set consumption to be consider or not in other source

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

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. No

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

| Parameter  | FY 2022-23                 | FY 2021-22                  |
|--|----------------------------|-----------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                        |                            |                             |
| Surface water  | NA                         | NA                          |
| Groundwater  | 1,22,238.50                | 1,19,517.46                 |
| Third party water  | NA                         | NA                          |
| Seawater / desalinated water   | NA                         | NA                          |
| Others   | NA                         | NA                          |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 1,22,238.50                | 1,19,517.46                 |
| <b>Total volume of water consumption (in kilolitres)</b>                 | <b>1,22,238.50</b>         | <b>1,19,517.46</b>          |
| <b>Water intensity per rupee of turnover (Water consumed / turnover)</b> | <b>22.78 k.ltrs./Lakhs</b> | <b>17.925 k.ltrs./Lakhs</b> |

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

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. No

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

| Parameter                           | Please specify unit | FY 2022-23 | FY 2021-22 |
|-------------------------------------|---------------------|------------|------------|
| NOx                                 | NA                  | NA         | NA         |
| SOx                                 | NA                  | NA         | NA         |
| Particulate matter (PM)             | NA                  | NA         | NA         |
| Persistent organic pollutants (POP) | NA                  | NA         | NA         |
| Volatile organic compounds (VOC)    | NA                  | NA         | NA         |
| Hazardous air pollutants (HAP)      | NA                  | NA         | NA         |

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



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

| Parameter   | Unit  | FY 2022-23 | FY 2021-22 |
|---|---|------------|------------|
| <b>Total Scope 1 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 8.67       | 5.57       |
| <b>Total Scope 2 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | 317.98     | 271.28     |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>  | Metric tonnes per Lakh                      | 0.061      | 0.042      |

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

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. No

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

| Parameter  | FY 2022-23    | FY 2021-22    |
|--|---------------|---------------|
| <b>Total Waste generated (in metric tonnes)</b>  |               |               |
| Plastic waste (A)  | 83.31         | 58.01         |
| E-waste (B)  | NA            | NA            |
| Bio-medical waste (C)  | NA            | NA            |
| Construction and demolition waste (D)  | NA            | NA            |
| Battery waste (E)  | NA            | NA            |
| Radioactive waste (F)  | NA            | NA            |
| Other Hazardous waste. Please specify, if any. (G)   | NA            | NA            |
| Other Non-hazardous waste generated (H). Please specify, if any.<br>(Break-up by composition i.e. by materials relevant to the sector)- (Rebound and Slurry) | 504.19        | 366.00        |
| <b>Total (A+B + C + D + E + F + G + H)</b>   | <b>587.50</b> | <b>424.01</b> |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>               |               |               |
| <b>Category of waste</b>   |               |               |
| Recycled   | NA            | NA            |
| Re-used  | 504.19        | 366.00        |
| Other recovery operations  | NA            | NA            |
| <b>Total</b>   | <b>504.19</b> | <b>366.00</b> |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>  |               |               |
| <b>Category of waste</b>   |               |               |
| Incineration   | NA            | NA            |
| Landfilling  | NA            | NA            |
| Other disposal operations  | NA            | NA            |
| <b>Total</b>   | <b>NA</b>     | <b>NA</b>     |

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

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

No hazardous and toxic chemical wastage as part of our production process.

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

Not applicable.

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

Not Applicable

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

Yes

### Leadership Indicators:

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter   | FY 2022-23          | FY 2021-22          |
|---|---------------------|---------------------|
| <b>From renewable sources</b>                                   |                     |                     |
| Total electricity consumption (A)                               | NA                  | NA                  |
| Total fuel consumption (B)                                      | NA                  | NA                  |
| Energy consumption through other sources (C)                    | NA                  | NA                  |
| <b>Total energy consumed from renewable sources (A+B+C)</b>     | NA                  | NA                  |
| <b>From non-renewable sources</b>                               |                     |                     |
| Total electricity consumption (D)                               | 4902.57 Giga Joules | 5262.87 Giga Joules |
| Total fuel consumption (E)                                      | 1782.61 Giga Joules | 2368.69 Giga Joules |
| Energy consumption through other sources (F)                    | 0.00                | 0.00                |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b> | 6685.18 Giga Joules | 7631.56 Giga Joules |

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

2. Provide the following details related to water discharged:

| Parameter  | FY 2022-23 | FY 2021-22 |
|--|------------|------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |            |            |
| (i) To Surface water   |            |            |
| - No treatment   | 0.00       | 0.00       |
| - With treatment – please specify level of treatment                         | 0.00       | 0.00       |
| (ii) To Groundwater  | 48,896.40  | 47,806.98  |
| - No treatment   | 0.00       | 0.00       |
| - With treatment – please specify level of treatment                         | 0.00       | 0.00       |
| (iii) To Seawater  |            |            |
| - No treatment   | 0.00       | 0.00       |
| - With treatment – please specify level of treatment                         | 0.00       | 0.00       |
| (iv) Sent to third-parties   |            |            |
| - No treatment   | 0.00       | 0.00       |
| - With treatment – please specify level of treatment                         | 0.00       | 0.00       |
| (v) Others   |            |            |
| - No treatment   | 0.00       | 0.00       |
| - With treatment – please specify level of treatment                         | 0.00       | 0.00       |
| <b>Total water discharged (in kilolitres)</b>                                | 48,896.40  | 47,806.98  |

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



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):** Not applicable as we do not have any factories in such areas.

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

| Parameter   | Unit  | FY 2022-23 | FY 2021-22 |
|---|---|------------|------------|
| <b>Total Scope 3 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | NA         | NA         |
| <b>Total Scope 3 emissions per rupee of turnover</b>  |   | NA         | NA         |
| <b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity  |   | NA         | NA         |

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

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

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

Not Applicable

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

The Company has Risk Management Policy covering business continuity plan.

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

Not Applicable

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

Not Applicable

### PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

#### Essential Indicators:

1.
  - a. **Number of affiliations with trade and industry chambers/ associations.** 9
  - b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

| Sr. No. | Name of the trade and industry chambers/ associations   | Reach of trade and industry chambers/ associations (State/National) |
|---------|---|---|
| 1       | Confederation of Indian Industry                        | National  |
| 2       | Maharashtra Economic Development Council                | State   |
| 3       | Engineering Export Promotion Council (EPEC)             | National  |
| 4       | Maharashtra Chamber of Commerce, Industry & Agriculture | State   |
| 5       | Employer's Federation of India                          | National  |
| 6       | Builders Association of India                           | National  |
| 7       | Indian Merchant Chambers                                | National  |
| 8       | National Safety Council                                 | National  |
| 9       | MCHI-CREDAI   | State   |

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

No adverse order was received by the Company from regulatory authorities during the financial year 2022-23. Hence, no corrective action was required to be taken.

#### Leadership Indicators:

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

Not Applicable

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

### Essential Indicators:

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**  
Not Applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**  
Not Applicable
- Describe the mechanisms to receive and redress grievances of the community.**  
The Company has a mechanism in place to monitor the implementation of the CSR projects and the concerns of the beneficiary community.
- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

|  | F.Y. 2022-23 (%) | F.Y. 2021-22 (%) |
|--|------------------|------------------|
| Directly sourced from MSMEs/ small producers   | 20.73            | 11.21            |
| Sourced directly from within the district and neighbouring districts – (MSME SUPPLIER) | 0.00             | 0.00             |

### Leadership Indicators:

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**  
Not applicable
- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**  
Not Applicable
- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?**  
No
  - From which marginalized /vulnerable groups do you procure?**  
Not Applicable
  - What percentage of total procurement (by value) does it constitute?**  
Not Applicable
- Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**  
Not Applicable
- Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**  
Not Applicable
- Details of beneficiaries of CSR Projects:**

| Sr. No.   | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---|-------------|---|--|
| For details of CSR project & beneficiary kindly refer Corporate Social Responsibility section of the Annual Report. |             |   |  |

## PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

### Essential Indicators:

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**  
The Company treats customer complaints with utmost importance and believe that it needs to be agile, transparent and solution-oriented to resolve them efficiently and satisfactorily.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

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



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### 3. Number of consumer complaints in respect of the following:

|                                | FY 2022-23               |                                   | Remarks | FY 2021-22               |                                   | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year |         | Received during the year | Pending resolution at end of year |         |
| Data privacy                   | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Advertising                    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Cyber-security                 | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Delivery of essential services | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Restrictive Trade Practices    | 0                        | 0                                 | -       | 0                        | 0                                 | -       |
| Unfair Trade Practices         | 0                        | 0                                 | -       | 0                        | 0                                 | -       |

### 4. Details of instances of product recalls on account of safety issues:

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

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

Yes. The Cyber Security policy is available on the website of the Company and the web-link of the policy is [http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate\\_Governance/Cyber\\_Security\\_Policy.pdf](http://www.indianhumepipe.com/Portals/0/images/pdf/Corporate_Governance/Cyber_Security_Policy.pdf)

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

### Leadership Indicators:

#### 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The platforms used for the information are Website and Annual Report of the Company. Information relating to all the products and services provided by the Company are available on the Company's website at <http://www.indianhumepipe.com/Products.aspx>

#### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- The Company provide pipeline hydraulic design & pipe design based on site condition.
- Laying manual for proper and safe erection of pipeline and valves and specials.
- At the time of commissioning, provide and build drawing with valves partition along with sparelist to be kept and check Paints and Procedure for repairing if required.
- The Company representative also visits site for service after sale and guide client for smooth running of project.
- On-site training have been provided to the client for safe and responsible usage of product and services provided by Company in its projects.

#### 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

- After receipt of work order, we discover the points of disruption along with pipeline & inform client about disruptions
- At the time of execution, proper co-ordination is done to avoid any disaster & inconvenience to users.
- The necessary diversions for traffic are planned while crossing roads / railway canals.

#### 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable

#### 5. Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact – Not Applicable
- Percentage of data breaches involving personally identifiable information of customers – Not Applicable

# INDEPENDENT AUDITOR'S REPORT

## To The Members of The Indian Hume Pipe Company Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **The Indian Hume Pipe Company Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Key Audit Matters

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

| Sr No | Key Audit Matter  | Auditor's Response  |
|-------|---|---|
| 1.    | <p><b>Revenue recognition in respect of construction contracts (Contract revenue) recognised over time.</b> (Refer Note 1(f) of the financial statements of the Company)</p> <p>For the Contract revenue recognised over time, the Company recognises revenue by measuring the progress of the performance obligation at the reporting date. The progress is measured based on the Company's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.</p> <p>The revenue on contracts may also include variations mainly on account of change in scope of work and escalations / de-escalations. Variations are recognised on a contract-by-contract basis based on the estimated amount of variation that the company is entitled to and upto the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Further, the contract variation is considered as a part of the existing contract if the remaining goods or services are not distinct and, therefore, form part of a single performance obligation that is partially satisfied at the date of the contract variation. The effect that the contract variation has on the transaction price, and on the entity's measure of progress towards complete satisfaction of the performance obligation, is recognised as an adjustment to revenue.</p> <p>Significant judgments and estimations are required in determining the completeness of the estimated total costs and the amount of progress of the performance obligation at the reporting date. Accordingly, recognition of revenue over time is considered a key audit matter</p> | <p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> <li>● testing of the design and implementation of internal controls over Revenue recognition and significant judgements and estimates used in the assessment of the contract revenue as well as their operating effectiveness over the following: <ul style="list-style-type: none"> <li>a. Determination of performance obligations and the allocation of the transaction price.</li> <li>b. Controls over the determination, review and approval of the significant estimates used.</li> </ul> </li> <li>● testing the relevant controls of the information used in recording and disclosing revenue in accordance with Ind AS 115.</li> <li>● testing on a sample basis contracts for appropriate identification of performance obligations, assessing the measurement of the value of goods and services transferred to customers and costs incurred to date and agreeing to the supporting documents;</li> <li>● for sample of contracts, we obtained the percentage of completion calculations, agreed key contractual terms back to signed contracts, tested the mathematical accuracy of the cost to complete calculations and reperformed the calculation of revenue recognised during the year based on the percentage of completion.</li> <li>● review estimates of consideration related to variations in sample contracts, by analysing agreements / correspondence with customers and other relevant documents related to change in the consideration for those samples;</li> </ul> |



## INDEPENDENT AUDITOR'S REPORT

| Sr No | Key Audit Matter | Auditor's Response   |
|-------|------------------|--|
|       |                  | <ul style="list-style-type: none"> <li>reviewing estimated profit and costs to complete with cumulative performance of the contract upto the reporting date and discussions with key personnel regarding appropriate revisions in cost / revenue by considering the costs incurred till reporting date including additional cost required to complete the project and estimation of potential contract losses;</li> <li>performing analytical procedures for reasonableness of revenues recognized, challenging the Company's assumptions used in estimating the amount of revenue and associated profit to be recognised by the Company up to the balance sheet date by evaluating the financial performance of contracts against budget and historical trends</li> </ul> |

### 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 Board of Directors report, including Annexures to Board's report, Business Responsibility and Sustainability Report, 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Management 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, specified under Section 133 of the Act read with the rules made thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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



## INDEPENDENT AUDITOR'S REPORT

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.

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

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

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

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

### Other Matters

The financial statements of the Company for the year ended March 31, 2022, have been audited by another auditor. The report of another auditor on this comparative financial information dated May 27, 2022, for the year ended March 31, 2022, expressed an unmodified opinion.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
  2. As required by Section 143 (3) of the Act, we report that:
    - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 B".
  - (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, 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 2.43 to the financial statements;
    - (ii) The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long term contracts. The Company does not have any derivative contracts.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - (iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly



## INDEPENDENT AUDITOR'S REPORT

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; and

- (c) In our opinion and based on the audit procedures we have 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 final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act. As stated in note b of statement of changes in equity to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For K. S. Aiyar & Co.**

Chartered Accountants  
ICAI Firm Registration No. 100186W

**Sachin A. Negandhi**

Partner

Membership No: 112888

UDIN: 23112888BGQVAI4422

**Place:** Mumbai

**Date:** May 16, 2023

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date on the financial statements for the year ended on March 31, 2023, of **The Indian Hume Pipe Company Limited**)

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) Some of the property, plant and equipment (capital work-in-progress, investment properties and right-of-use assets) were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals having regards to the size of the Company and the nature of its activities. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds, of all the immovable properties of land and buildings, (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and investment properties are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for borrowings are held in the name of the Company based on the confirmations directly received by us from the designated custodian of the lenders.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Accordingly, provisions of clause 3(i)(d) are not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time of the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements (comprising stock statement, book debt statements) filed by the Company with such bank are in agreement with unaudited books of account of the Company of the respective quarters.
- (iii) The Company has not made any investment in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) As informed, the Company has not advanced any loans, made any investments or given any guarantees and securities. Accordingly, provisions of section 185 and 186 of the Companies Act, 2013 and clause 3 (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014 apply. No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for manufacture of steel products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost record under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the Company, it is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees’ state insurance, income-tax, cess and any other material statutory dues to the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of above which were outstanding, as at March 31, 2023, for a period of more than six months from the date on which they became payable.



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

- (b) Details of dues of Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2023, on account of disputes are given below:

| Name of Statute                    | Nature of dues | Forum where dispute is pending     | Period to which amount relates | Gross Amount (₹ in lakhs) | Amount unpaid (₹ in lakhs) |
|------------------------------------|----------------|------------------------------------|--------------------------------|---------------------------|----------------------------|
| Finance Act, 1994                  | Service Tax    | Appellate Authority-Tribunal Level | 2009-10 & 2012-15              | 352.71                    | 337.32                     |
|                                    |                | Appellate Authority-Commissioner   | 2014-2016                      | 14.07                     | 11.31                      |
| Central Excise Act, 1944           | Excise Duty    | Appellate Authority-Tribunal Level | 2006-2008                      | 13.66                     | 13.66                      |
|                                    |                | Appellate Authority-Commissioner   | 2005-2006                      | 131.37                    | 129.19                     |
| Sales Tax and Value Added Tax Laws | Sales Tax      | High Court                         | 1996-1997 & 2016-17            | 7.79                      | 7.79                       |
|                                    |                | Appellate Authority-Tribunal Level | 2011-2018                      | 1.05                      | 1.05                       |
|                                    |                | Appellate Authority-Commissioner   | 2005-2018                      | 26.17                     | 26.17                      |
| Goods and Services Tax Act, 2017   |                | Appellate Authority-Commissioner   | 2017-18                        | 6.84                      | 4.83                       |

- (viii) According to the information and explanations given to us there are no unrecorded transactions in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term purposes.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix) (e) of the Order is not applicable.
- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and accordingly reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds 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) According to the information and explanations furnished by the management, which have been relied upon by us, there were no whistle blower complaints received during the year by the Company.
- (xii) (a) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and 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.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with such directors.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not a Non-Banking Finance Company or a Housing Finance Company. Accordingly, provision of clause 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

- (d) According to the information and explanations given to us, the Company does not have any Core Investment Company as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) In our opinion, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable
- (xix) On the basis information and explanations given to us and based on audit of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of Board of Directors and management plans, in our opinion no material uncertainty exists as on the date of the audit report regarding Company’s capability to meet its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) According to the information and explanation given to us, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the said financial year in compliance with second proviso to subsection (5) of section 135 of the said Act.

The Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months from the expiry of the financial year as permitted under the second proviso to section 135(5) of the Act, has not elapsed till the date of our report.

**For K. S. Aiyar & Co.**

Chartered Accountants  
ICAI Firm Registration No. 100186W

**Sachin A. Negandhi**

Partner

Membership No: 112888  
UDIN: 23112888BGQVAI4422

**Place:** Mumbai  
**Date:** May 16, 2023



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

### Annexure - B to the Independent Auditor’s Report of even date on the Financial Statements of The Indian Hume Pipe Company Limited

#### 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 **The Indian Hume Pipe Company Limited** (“the Company”) as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting 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 K. S. Aiyar & Co.**

Chartered Accountants

ICAI Firm Registration No. 100186W

**Sachin A. Negandhi**

Partner

Membership No: 112888

UDIN: 23112888BGQVAI4422

**Place:** Mumbai

**Date:** May 16, 2023

# BALANCE SHEET AS AT MARCH 31, 2023

|  | Note | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|------|-------------------------|-------------------------|
| ₹ in Lakhs   |      |                         |                         |
| <b>ASSETS</b>  |      |                         |                         |
| <b>Non-current assets</b>  |      |                         |                         |
| Property, plant and equipment  | 2.1  | 10598.99                | 11663.29                |
| Capital work-in-progress   | 2.1  | 20.74                   | 13.60                   |
| Investment property  | 2.2  | 608.76                  | 632.54                  |
| Intangible assets  | 2.3  | 47.08                   | 34.49                   |
| Right of use assets  | 2.46 | 165.34                  | 408.83                  |
| Financial assets   |      |                         |                         |
| Investments  | 2.4  | 357.00                  | 401.21                  |
| Trade receivables  | 2.5  | 8039.90                 | 8401.34                 |
| Other financial assets   | 2.6  | 2308.20                 | 3946.41                 |
| Deferred tax assets (net)  | 2.7  | 456.77                  | 404.26                  |
| Income tax assets (net)  | 2.8  | 2202.17                 | 2607.53                 |
| Other non-current assets   | 2.9  | 3066.89                 | 3276.34                 |
| <b>Total non-current assets</b>  |      | <b>27871.84</b>         | <b>31789.84</b>         |
| <b>Current assets</b>  |      |                         |                         |
| Inventories  | 2.10 | 7543.77                 | 7882.41                 |
| Financial assets   |      |                         |                         |
| Trade receivables  | 2.5  | 74221.17                | 70443.09                |
| Cash and cash equivalents  | 2.11 | 19.36                   | 71.29                   |
| Bank balances other than cash and cash equivalents                           | 2.12 | 4726.07                 | 3947.57                 |
| Other financial assets   | 2.6  | 1583.82                 | 984.75                  |
| Other current assets   | 2.9  | 102135.70               | 82214.39                |
| <b>Total current assets</b>  |      | <b>190229.89</b>        | <b>165543.50</b>        |
| <b>TOTAL ASSETS</b>  |      | <b>218101.73</b>        | <b>197333.34</b>        |
| <b>EQUITY AND LIABILITIES</b>  |      |                         |                         |
| <b>Equity</b>  |      |                         |                         |
| Equity share capital   | 2.13 | 968.94                  | 968.94                  |
| Other equity   | 2.14 | 68563.03                | 64052.75                |
| <b>Total equity</b>  |      | <b>69531.97</b>         | <b>65021.69</b>         |
| <b>Non-current liabilities</b>   |      |                         |                         |
| Financial liabilities  |      |                         |                         |
| Borrowings   | 2.15 | 1342.22                 | 2319.16                 |
| Lease liability  | 2.46 | 104.10                  | 159.43                  |
| Trade payables   | 2.16 |                         |                         |
| - Total outstanding dues of Micro and Small enterprises                      |      | 0.00                    | 0.00                    |
| - Total outstanding dues of creditors other than Micro and Small enterprises |      | 1884.86                 | 2143.90                 |
| Other financial liabilities  | 2.17 | 1550.32                 | 1552.32                 |
| Provisions   | 2.18 | 543.88                  | 541.25                  |
| Other non-current liabilities  | 2.19 | 1040.30                 | 1004.22                 |
| <b>Total non-current liabilities</b>   |      | <b>6465.68</b>          | <b>7720.28</b>          |
| <b>Current liabilities</b>   |      |                         |                         |
| Financial liabilities  |      |                         |                         |
| Borrowings   | 2.15 | 61832.26                | 55945.73                |
| Lease liability  | 2.46 | 62.83                   | 284.56                  |
| Trade payables   | 2.16 |                         |                         |
| - Total outstanding dues of Micro and Small enterprises                      |      | 5580.85                 | 1268.78                 |
| - Total outstanding dues of creditors other than Micro and Small enterprises |      | 50325.96                | 50572.39                |
| Other financial liabilities  | 2.17 | 1687.78                 | 1735.18                 |
| Other current liabilities  | 2.19 | 21534.09                | 13664.51                |
| Provisions   | 2.18 | 559.72                  | 599.63                  |
| Current tax liabilities (net)  | 2.20 | 520.59                  | 520.59                  |
| <b>Total current liabilities</b>   |      | <b>142104.08</b>        | <b>124591.37</b>        |
| <b>Total liabilities</b>   |      | <b>148569.76</b>        | <b>132311.65</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |      | <b>218101.73</b>        | <b>197333.34</b>        |

The accompanying notes 1 and 2.1 to 2.49 are an integral part of financial statements

In terms of our report attached

For and on behalf of the Board

**For K. S. AIYAR & CO.**  
Chartered Accountants  
(Firm's Registration No. 100186W)

**SACHIN NEGANDEHI**  
Partner  
(Membership No. 112888)  
Mumbai, 16<sup>th</sup> May, 2023

**M S RAJADHYAKSHA** FCA 036125  
Vice President - CFO  
**S M MANDKE** FCS 2723  
Vice President - Company Secretary  
Mumbai, 16<sup>th</sup> May, 2023

**RAJAS R. DOSHI** DIN 00050594 Chairman & Managing Director  
**MAYUR R. DOSHI** DIN 00250358 Executive Director

**JYOTI R. DOSHI** DIN 00095732  
**ANIMA B. KAPADIA** DIN 00095831  
**RAJENDRA M. GANDHI** DIN 00095753  
**RAMESHWAR D. SARDA** DIN 00095766  
**VIJAY KUMAR JATIA** DIN 00096977  
**SUCHETA N. SHAH** DIN 00322403  
Directors



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

₹ in Lakhs

|   | Note | For the Year<br>2022-23 | For the Year<br>2021-22 |
|---|------|-------------------------|-------------------------|
| <b>INCOME</b>   |      |                         |                         |
| Revenue from operations   | 2.21 | 154288.46               | 152039.09               |
| Other income  | 2.22 | 2169.45                 | 470.51                  |
| <b>Total income</b>   |      | <b>156457.91</b>        | <b>152509.60</b>        |
| <b>EXPENSES</b>   |      |                         |                         |
| Cost of materials consumed  | 2.23 | 3843.89                 | 4377.36                 |
| Changes in inventories of finished goods, work in progress and stock in trade | 2.24 | (605.12)                | (353.99)                |
| Construction expenses   | 2.25 | 124479.16               | 120171.60               |
| Manufacturing and other expenses  | 2.26 | 768.35                  | 1114.61                 |
| Employee benefits expenses  | 2.27 | 7943.39                 | 7783.62                 |
| Finance costs   | 2.28 | 6793.23                 | 5856.53                 |
| Depreciation and amortization expenses  | 2.29 | 1553.98                 | 1742.61                 |
| Other expenses  | 2.30 | 4443.29                 | 4019.07                 |
| <b>Total expenses</b>   |      | <b>149220.17</b>        | <b>144711.41</b>        |
| <b>Profit before tax</b>  |      | <b>7237.74</b>          | <b>7798.19</b>          |
| <b>Tax expenses</b>   |      |                         |                         |
| Current tax   | 2.34 | 1697.37                 | 2086.99                 |
| Deferred tax  |      | (29.94)                 | (67.81)                 |
| <b>Total tax expenses</b>   |      | <b>1667.43</b>          | <b>2019.18</b>          |
| <b>Profit for the year</b>  |      | <b>5570.31</b>          | <b>5779.01</b>          |
| <b>Other comprehensive income (OCI)</b>                                       |      |                         |                         |
| Items that will not be reclassified to profit or loss account                 |      |                         |                         |
| Remeasurement of defined benefit plans  |      | (69.46)                 | (167.38)                |
| Equity instruments through other comprehensive income                         |      | (44.20)                 | 87.16                   |
| Income tax relating to items that will not be reclassified to profit or loss  | 2.35 | 22.57                   | 35.50                   |
| <b>Total other comprehensive income /(loss)</b>                               |      | <b>(91.09)</b>          | <b>(44.72)</b>          |
| <b>Total comprehensive income for the year</b>                                |      | <b>5479.22</b>          | <b>5734.29</b>          |
| <b>Earnings per equity share of face value ₹ 2/- each</b>                     |      |                         |                         |
| (1) Basic and diluted (in ₹) (including exceptional items)                    | 2.31 | 11.50                   | 11.93                   |
| (2) Basic and diluted (in ₹) (excluding exceptional items)                    |      | 11.50                   | 11.93                   |

The accompanying notes 1 and 2.1 to 2.49 are an integral part of financial statements

In terms of our report attached

For and on behalf of the Board

**For K. S. AIYAR & CO.**  
Chartered Accountants  
(Firm's Registration No. 100186W)

**SACHIN NEGANDHI**  
Partner  
(Membership No. 112888)

Mumbai, 16<sup>th</sup> May, 2023

**M S RAJADHYAKSHA**  
Vice President - CFO  
FCA 036125

**S M MANDKE**  
Vice President - Company Secretary  
FCS 2723

Mumbai, 16<sup>th</sup> May, 2023

**RAJAS R. DOSHI** DIN 00050594 Chairman & Managing Director  
**MAYUR R. DOSHI** DIN 00250358 Executive Director

**JYOTI R. DOSHI** DIN 00095732  
**ANIMA B. KAPADIA** DIN 00095831  
**RAJENDRA M. GANDHI** DIN 00095753  
**RAMESHWAR D. SARDA** DIN 00095766  
**VIJAY KUMAR JATIA** DIN 00096977  
**SUCHETA N. SHAH** DIN 00322403

Directors



# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

|   | ₹ in Lakhs              |                         |
|---|-------------------------|-------------------------|
|   | For the Year<br>2022-23 | For the Year<br>2021-22 |
| <b>Cash flow from operating activities</b>  |                         |                         |
| <b>Profit after tax</b>   | <b>5570.31</b>          | 5779.01                 |
| <b>Adjustments for :</b>  |                         |                         |
| Income tax expenses   | 1667.43                 | 2019.18                 |
| Finance costs   | 6793.23                 | 5856.53                 |
| Interest income   | (488.32)                | (329.46)                |
| Dividend income   | (10.50)                 | (4.32)                  |
| Rent from Investment property   | (54.25)                 | (12.46)                 |
| Gain on disposal of Property, Plant and Equipment (net)   | (20.97)                 | (51.86)                 |
| Depreciation and amortisation expenses  | 1553.98                 | 1742.61                 |
| Allowance for expected credit loss  | (45.01)                 | 150.12                  |
| Bad debts and advances written off  | 72.61                   | 83.82                   |
| <b>Operating profit before working capital changes</b>  | <b>15038.51</b>         | 15233.17                |
| <b>Movements in working capital :</b>   |                         |                         |
| (Increase) in trade & other receivables   | (23683.78)              | (7102.82)               |
| Decrease / (Increase) in inventories  | 338.64                  | (81.57)                 |
| Increase in trade & other payables  | 11542.17                | 318.85                  |
| <b>Cash generated from operations</b>   | <b>3235.54</b>          | 8367.63                 |
| Income taxes paid (net)   | (1292.01)               | (2778.84)               |
| <b>Net cash generated from operating activities</b>   | <b>1943.53</b>          | 5588.79                 |
| <b>Cash flow from investing activities</b>  |                         |                         |
| Dividend received   | 10.50                   | 4.32                    |
| Interest received   | 423.15                  | 307.29                  |
| Rent from Investment property   | 54.25                   | 12.46                   |
| Payments for acquisition of property, plant & equipment and intangible assets ( after adjustment of increase / decrease in capital work in progress and capital advances) | (222.41)                | (456.46)                |
| Proceeds from disposal of property, plant & equipment   | 27.45                   | 74.75                   |
| Changes in earmarked & margin account (net)   | 848.29                  | (1414.65)               |
| <b>Net cash generated from / (used in) investing activities</b>   | <b>1141.23</b>          | (1472.29)               |
| <b>Cash flow from financing activities</b>  |                         |                         |
| Interest paid on borrowings   | (6747.92)               | (5874.67)               |
| Proceeds from long term borrowings  | 60.76                   | 36.99                   |
| (Repayment) of long term borrowings   | (1332.00)               | (3636.91)               |
| Proceeds of short term borrowings (net)   | 3091.09                 | 1499.98                 |
| Repayments of lease liabilities (including interest thereon)  | (329.42)                | (315.18)                |
| Dividend paid   | (970.86)                | (968.90)                |
| <b>Net cash (used in) financing activities</b>  | <b>(6228.35)</b>        | (9258.69)               |
| Net (decrease) / increase in cash and cash equivalents  | (3143.59)               | (5142.19)               |
| Cash and cash equivalents at the beginning of the year  | (10469.71)              | (5327.52)               |
| <b>Total cash and cash equivalents at the end of the year</b>   | <b>(13613.30)</b>       | (10469.71)              |
| Cash credits / bank overdrafts  | (13717.88)              | (10628.14)              |
| <b>Total cash and cash equivalents as per Balance Sheet</b>   | <b>104.58</b>           | 158.43                  |

The above cash flow statement has been prepared under 'indirect method' as set out in ' Indian Accounting standard (Ind AS) 7 - Statement of Cash Flows'  
Total cash and cash equivalents as per Balance Sheet includes unpaid Dividend of ₹ 85.22 lakhs as on 31.03.2023 ( ₹ 87.14 lakhs as on 31.03.2022)  
The accompanying notes 1 and 2.1 to 2.49 are an integral part of financial statements

In terms of our report attached

**For K. S. AIYAR & CO.**  
Chartered Accountants  
(Firm's Registration No. 100186W)

**SACHIN NEGANDHI**  
Partner  
(Membership No. 112888)  
Mumbai, 16<sup>th</sup> May, 2023

**M S RAJADHYAKSHA**  
Vice President - CFO  
FCA 036125

**S M MANDKE**  
Vice President - Company Secretary  
FCS 2723

Mumbai, 16<sup>th</sup> May, 2023

For and on behalf of the Board

**RAJAS R. DOSHI** DIN 00050594 Chairman & Managing Director  
**MAYUR R. DOSHI** DIN 00250358 Executive Director

**JYOTI R. DOSHI** DIN 00095732  
**ANIMA B. KAPADIA** DIN 00095831  
**RAJENDRA M. GANDHI** DIN 00095753  
**RAMESHWAR D. SARDA** DIN 00095766  
**VIJAY KUMAR JATIA** DIN 00096977  
**SUCHETA N. SHAH** DIN 00322403

Directors



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR MARCH 31, 2023

### a. Equity share capital

| ₹ in Lakhs                       |               |
|----------------------------------|---------------|
| Particulars                      | Amount        |
| Balance at April 01, 2022        | 968.94        |
| <b>Balance at March 31, 2023</b> | <b>968.94</b> |

### b. Other equity

| ₹ in Lakhs                                       |                      |                   |   |                 |
|--|----------------------|-------------------|---|-----------------|
| Particulars                                      | Reserves and surplus |                   | Items of other comprehensive income                   | Total           |
|  | General reserve      | Retained earnings | Equity instruments through other comprehensive income |                 |
| <b>Balance at April 01, 2021</b>                 | <b>13797.29</b>      | <b>45235.20</b>   | <b>254.91</b>   | <b>59287.40</b> |
| Profit for the year                              | 0.00                 | 5779.01           | 0.00  | 5779.01         |
| Other comprehensive income / (loss) for the year | 0.00                 | (131.88)          | 87.16   | (44.72)         |
| Total comprehensive income / (loss) for the year | <u>0.00</u>          | <u>5647.13</u>    | <u>87.16</u>  | <u>5734.29</u>  |
| Movement   |                      |                   |   |                 |
| Final dividend                                   | 0.00                 | (968.94)          | 0.00  | (968.94)        |
| <b>Balance at March 31, 2022</b>                 | <b>13797.29</b>      | <b>49913.39</b>   | <b>342.07</b>   | <b>64052.75</b> |
| Profit for the year                              | 0.00                 | 5570.31           | 0.00  | 5570.31         |
| Other comprehensive income / (loss) for the year | 0.00                 | (46.89)           | (44.20)   | (91.09)         |
| Total comprehensive income / (loss) for the year | <u>0.00</u>          | <u>5523.42</u>    | <u>(44.20)</u>  | <u>5479.22</u>  |
| Movement   |                      |                   |   |                 |
| Final dividend                                   | 0.00                 | (968.94)          | 0.00  | (968.94)        |
| <b>Balance at March 31, 2023</b>                 | <b>13797.29</b>      | <b>54467.87</b>   | <b>297.87</b>   | <b>68563.03</b> |

#### Notes:

The Board of Directors at its meeting held on 16<sup>th</sup> May, 2023 have recommended a payment of dividend of ₹ 1.00 - One rupee only) (50.00%) per equity share of face value of ₹ 2 each for the year ended 31<sup>st</sup> March, 2023, subject to approval of the shareholders in the ensuing Annual General meeting of the Company

The accompanying notes 1 and 2.1 to 2.49 are an integral part of financial statements

In terms of our report attached

**For K. S. AIYAR & CO.**  
Chartered Accountants  
(Firm's Registration No. 100186W)

**SACHIN NEGANDHI**  
Partner  
(Membership No. 112888)

Mumbai, 16<sup>th</sup> May, 2023

**M S RAJADHYAKSHA** FCA 036125  
Vice President - CFO

**S M MANDKE** FCS 2723  
Vice President - Company Secretary

Mumbai, 16<sup>th</sup> May, 2023

For and on behalf of the Board

**RAJAS R. DOSHI** DIN 00050594 Chairman & Managing Director  
**MAYUR R. DOSHI** DIN 00250358 Executive Director

**JYOTI R. DOSHI** DIN 00095732  
**ANIMA B. KAPADIA** DIN 00095831  
**RAJENDRA M. GANDHI** DIN 00095753  
**RAMESHWAR D. SARDA** DIN 00095766  
**VIJAY KUMAR JATIA** DIN 00096977  
**SUCHETA N. SHAH** DIN 00322403

} Directors

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## Corporate Information

The Indian Hume Pipe Co. Ltd. ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is in the business of manufacturing, laying and jointing of pipelines. The Company has also been undertaking infrastructure development programmes by way of execution on turnkey basis the combined water supply projects. The company also manufactures and supplies Concrete Railway Sleepers to Indian Railways.

Its shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Construction House, Walchand Hirachand Road, Mumbai - 400 001, India.

The financial statements of the Company for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 16, 2023.

## 1 Significant Accounting Policies

### (a) Statement of compliance and basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act, 2013 read along with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

### (b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost basis except for certain financial instruments which are measured at fair values.

### (c) Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, both financial and non-financial assets and liabilities.

Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between level of the fair value hierarchy unless the circumstances change warranting such transfers.

### (d) Use of estimates and judgements

The Financial Statements are prepared in conformity with Ind AS, which requires management to make judgements, estimates and assumptions. This may affect the reported amount of assets, liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Accounting estimates are reviewed at each Balance sheet date. Appropriate changes in estimates reflected in the financial statements in the period in which revisions are made and future period affected.

### (e) Operating cycle for current and non-current classification

Operating cycle for the current business activities of the Company covers the duration of the specific project / contract / product line / service including the defect liability period wherever applicable and others are disclosed as non-current.

### (f) Revenue recognition

The Company recognises revenue from the following major sources:

- (i) Sale of products
- (ii) Construction Contracts  
Construction revenue and  
Operations and maintenance Income

#### (i) Sale of products

The Company recognizes revenue from contracts with customers related to sale of goods, when the Company satisfies performance obligation. Performance obligation are satisfied at the point of time when the customer obtains control of the goods. Indicators that control has been



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

transferred include, the establishment of the Company's present right to receive payment for the goods sold, transfer of legal title to the customer, transfer of significant risks and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer.

Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it and has the primary responsibility when on selling the goods and it bears the risks of obsolescence and loss in relation to the goods.

### (ii) Construction Contracts

The Company recognizes revenue from contracts with customers related to construction contracts over a period of time when the Company's performance under contract does not create an asset with alternative use to the Company and the Company has enforceable right to the payment for performance completed to date.

Contract revenue is recognised in Statement of profit and loss in proportion to the stage of completion of the contract. The stage of completion is based on percentage of actual cost incurred / revenue recognised up to the reporting date to the total estimated cost / estimated revenue of the contract. If the contract is its early stage such that it may not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Expected loss, if any, on the project is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract

#### 1 Performance obligation and transaction price (Fixed and Variable)

At inception of the contract, Company assesses the goods or services promised in a contract with a customer and identifies each promise to transfer to the customer as a performance obligation which is either:

- a. a good or service (or a bundle of goods or services) that is distinct; or
- b. a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Based on the terms of the contract and as per business practice, the Company determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excludes amount collected on behalf of third parties such as taxes. To separate performance obligation/s and for allocating transaction price significant judgement and estimates are applied.

The consideration includes both fixed and variable components. The fixed component refers to the contractually agreed price for completing construction contract. The variable component mainly includes escalations, liquidated damages and reimbursement if any. The Company estimates the amount of variable consideration based on current forecast information available by most likely method, as appropriate, consistently throughout the contract when estimating the effect of an uncertainty on an amount of variable consideration to which the Company will be entitled.

Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. This is assessed based on likelihood and the magnitude of the revenue reversal.

#### 2 Contract modifications

Contract modifications are accounted for when there is change in contract scope or contract price. Modifications or variations are recognised based on amount of estimate that the Company is entitled to and up to the extent that it is highly probable that significant reversals in amount of cumulative revenue will not occur.

Further, contract variations is considered as a part of a single performance obligation that is partially satisfied at the date of contract variations.

The effect that contract variation has on transaction price, and on the entities/ Company's measure of progress towards performance obligation, is recognised on cumulative catch up basis.

### (iii) Dividend income

Dividend income from investment is recognised when the shareholder's right to receive the payment is established.

### (iv) Interest and other income

Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis

### (v) Government grants and subsidies

Government Grants and subsidies are recognised when there is reasonable assurance that the conditions attached to them will be complied and grant / subsidy will be received.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### (g) Property, plant and equipment (PPE)

PPE are stated at original cost less net of tax / duty credits availed, if any, accumulated depreciation, and provision for impairment of losses, if any. Self-constructed / manufactured assets are capitalised at cost including appropriate overheads. Capital work in progress comprises of the cost of PPE that are not yet ready for their intended use as at the reporting date.

### (h) Investment property

Properties held to earn rentals and / or capital appreciation are classified as investment property and measured and reported at cost less : depreciation and provision for impairment of losses if any, including transaction costs.

### (i) Intangible assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and provision for impairment of losses, if any.

### (j) Depreciation and Amortisation

Depreciation on the property, plant and equipment and investment property is recognised using written down value method on pro-rata basis as per the rates prescribed in Part C of Schedule II to the Companies Act, 2013. Individual low cost assets (acquired for ₹ 5000/- or less) are depreciated fully in the year of acquisition. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of future economic benefit. The estimated useful lives and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful lives / residual values is accounted on prospective basis.

Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis commencing from the date the assets are available to the Company for its use.

Depreciation charge for impaired assets is provided on the revised carrying amount of the assets over its remaining useful life.

The management's estimate of useful lives are in accordance with the Schedule II of the Companies Act 2013, other than following asset, based on the Company's expected usage pattern :

| Asset | Useful life |
|-------|-------------|
| Mould | 9 years     |

Freehold land is not depreciated.

### (k) Impairment of assets

The carrying amounts of property, plant and equipment, investment property and intangible assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors.

An impairment loss will be recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

### (l) Borrowing Cost

The borrowing cost is capitalised, when the cost is incurred and is directly attributable to either construction or acquisition or production of qualifying assets. It is capitalised as part of cost of the qualifying asset. Other borrowing cost, not directly attributable to qualifying asset is recognised as expenses in period in which it incurs.

Effective Interest Rate method as enumerated under Ind AS 39:Financial Instruments: Recognition and Measurement, is applied to calculate amount of interest cost eligible for capitalisation. Qualifying assets are those, which takes substantial amount of time for construction or production either for ready to use or intended to ready to use.

Capitalisation of the borrowing cost is commenced when

- expenditure is incurred on qualifying assets which has resulted in payment of cash
- borrowing cost is incurred and
- necessary activities are undertaken to prepare the asset for intended use.

Capitalisation of borrowing cost is ceased, when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete. When the construction of a qualifying asset is completed in parts and each part is capable of being used while construction continues on other parts, capitalisation of borrowing costs is ceased when it completes substantially all the activities necessary to prepare that part for its intended use.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### (m) Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical and economic feasibility and marketability has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

### (n) Employee Benefits

#### A Defined Contribution Plan

- a Company's Contribution paid/payable during the year to Provident Fund, ESIC and Labour Welfare Fund are charged to Statement of Profit & Loss. There are no obligations other than the contribution payable to the respective trusts.
- b Provident Fund: The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees salary. The contributions as specified under law are paid to provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme. The Company is generally liable for annual contributions and any shortfall in the fund assets based on government specified minimum rates of return of provident fund and recognises such contributions and shortfall, if any, as an expense in the year incurred.

#### B Defined Benefit Plan

- a Provident Fund: In respect of certain employees covered by the Employees Provident Fund, the contributions towards shortfall in interest rate payable as per statute and the earnings of the Provident Fund Trust is considered as Defined Benefit Plan and debited to Statement of Profit and Loss.
- b Gratuity and Compensated absences: Company's liabilities towards gratuity and compensated absences are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past Services are recognised on a Straight Line basis over the average period until the amended benefits becomes vested. Actuarial gain and losses are recognised immediately in the statement of Profit and Loss as Income or Expense.
- c Obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

### (o) Leases

#### (i) As a Lessor

Each lease is analysed and based on the substance of contract is classified as either finance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease payments from operating leases are recognised as income on a straight line basis. Cost, including depreciation which is incurred in earning lease income is recognised as expenses. (refer note 2.2). Depreciation expenses applied on underlying asset is as per the policy of depreciation of the Company.

#### (ii) As a Lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

- 1 the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the lessor has a substantive substitution right, then the asset is not identified.
- 2 the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- 3 the Company as a lessee has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - a) the Company as a lessee has the right to operate the asset; or
  - b) the Company as a lessee designed the asset in a way that predetermines how and for what purpose it will be used

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## (p) Financial instruments

Financial assets and / or financial liabilities are recognised when the Company becomes party to the contractual provisions of the financial instruments.

### A Financial assets

#### a Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain significant financing component are measured at transaction price.

#### b Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

##### Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

##### Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. In respect of equity investments which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments / initial recognition for new equity instruments.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

##### Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract work in progress. Simplified approach recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between after contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

### B Financial Liabilities

All financial liabilities including loans and borrowings are measured at amortised cost. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

Financial liabilities issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

### C Equity Instruments

Equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

### (q) Inventories

The stock of raw materials, stores and bought out goods are valued at cost (FIFO basis) or net realisable value whichever is lower.

Certain items of Pipe Laying and Auxiliary Equipment are classified as Loose Tools and 95% of their original cost is amortised equally over a period of five years.

Finished Goods including bought-out items not allocated to any particular contracts are valued at lower of cost on absorption method or net realisable value.

Uncovered finished pipes lying at Factory are devalued @25% annually.

Work-in-process are valued at cost or net realisable value whichever is lower.

Stock in trade of land is valued at cost or net realisable value whichever is lower.

### (r) Earnings per Share

In determining operating and total earnings per share, the Company considers the operating net profit after tax and effect of any extra ordinary items (net of tax). The number of shares used in the computing basic earnings per share is the weighted average number of shares outstanding during the period.

### (s) Taxation

Income Tax expenses comprise of current tax, deferred tax charge/credit. Current Tax is recognised on the basis of taxable income determined in accordance with the provision of the Income Tax Act, 1961.

The deferred tax credit/charge is recognised on all timing differences subject to consideration of prudence, applying the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are generally recognized for all taxable temporary differences to the extent probable taxable profits that will be available against which those deductible temporary differences can be utilized. Deferred tax assets / liabilities are reviewed as at each Balance sheet date based on developments during the year and then available legal positions to re-assess realization / liabilities.

### (t) Contingencies and Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent liabilities are disclosed after careful evaluation of the facts and legal aspects of matter involved.

Contingent assets are neither recognised nor disclosed. However, where an inflow of economic benefits is probable, the Company discloses the same in financial statements.



## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

### **(u) Recent Accounting Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements.

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes.

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.1 Property, plant and equipment

₹ in Lakhs

| Particulars                         | Freehold land  | Leasehold land | Leasehold improvements | Buildings      | Plant and equipment | Furniture and fixtures | Vehicles       | Office equipment | Total           |
|-------------------------------------|----------------|----------------|------------------------|----------------|---------------------|------------------------|----------------|------------------|-----------------|
| <b>Gross block</b>                  |                |                |                        |                |                     |                        |                |                  |                 |
| <b>Balance as at March 31, 2021</b> | 2296.38        | 0.02           | 225.11                 | 6997.39        | 6037.24             | 427.71                 | 1080.55        | 167.62           | 17232.02        |
| Additions                           | 0.00           | 0.00           | 0.00                   | 1358.19        | 114.60              | 8.84                   | 217.71         | 4.55             | 1703.89         |
| Adjustment                          | 0.00           | 0.00           | 0.00                   | 0.00           | 0.00                | 0.00                   | 0.00           | 0.00             | 0.00            |
| Disposals / deductions              | 0.00           | 0.00           | 0.00                   | (61.96)        | (94.51)             | (0.14)                 | (77.91)        | (1.61)           | (236.13)        |
| <b>Balance as at March 31, 2022</b> | <b>2296.38</b> | <b>0.02</b>    | <b>225.11</b>          | <b>8293.62</b> | <b>6057.33</b>      | <b>436.41</b>          | <b>1220.35</b> | <b>170.56</b>    | <b>18699.78</b> |
| Additions                           | 0.00           | 0.00           | 0.00                   | 0.00           | 63.51               | 4.51                   | 96.11          | 17.56            | 181.69          |
| Adjustment                          | 0.00           | 0.00           | 0.00                   | 0.00           | 0.00                | 0.00                   | 0.00           | 0.00             | 0.00            |
| Disposals / deductions              | 0.00           | 0.00           | 0.00                   | (3.92)         | (62.99)             | (0.03)                 | (30.10)        | (0.09)           | (97.13)         |
| <b>Balance as at March 31, 2023</b> | <b>2296.38</b> | <b>0.02</b>    | <b>225.11</b>          | <b>8289.70</b> | <b>6057.85</b>      | <b>440.89</b>          | <b>1286.36</b> | <b>188.03</b>    | <b>18784.34</b> |
| <b>Accumulated depreciation</b>     |                |                |                        |                |                     |                        |                |                  |                 |
| <b>Balance as at March 31, 2021</b> | 0.00           | 0.00           | 161.71                 | 1806.17        | 2889.58             | 205.73                 | 643.99         | 107.61           | 5814.79         |
| Additions                           | 0.00           | 0.00           | 36.17                  | 498.43         | 645.63              | 59.25                  | 168.53         | 26.93            | 1434.94         |
| Adjustment                          | 0.00           | 0.00           | 0.00                   | 0.00           | 0.00                | 0.00                   | 0.00           | 0.00             | 0.00            |
| Disposals / deductions              | 0.00           | 0.00           | 0.00                   | (49.74)        | (89.53)             | (0.13)                 | (72.31)        | (1.53)           | (213.24)        |
| <b>Balance as at March 31, 2022</b> | <b>0.00</b>    | <b>0.00</b>    | <b>197.88</b>          | <b>2254.86</b> | <b>3445.68</b>      | <b>264.85</b>          | <b>740.21</b>  | <b>133.01</b>    | <b>7036.49</b>  |
| Additions                           | 0.00           | 0.00           | 15.65                  | 479.91         | 530.75              | 45.59                  | 148.75         | 18.86            | 1239.51         |
| Adjustment                          | 0.00           | 0.00           | 0.00                   | 0.00           | 0.00                | 0.00                   | 0.00           | 0.00             | 0.00            |
| Disposals / deductions              | 0.00           | 0.00           | 0.00                   | (3.21)         | (59.80)             | (0.03)                 | (27.52)        | (0.09)           | (90.65)         |
| <b>Balance as at March 31, 2023</b> | <b>0.00</b>    | <b>0.00</b>    | <b>213.53</b>          | <b>2731.56</b> | <b>3916.63</b>      | <b>310.41</b>          | <b>861.44</b>  | <b>151.78</b>    | <b>8185.35</b>  |
| <b>Carrying Amount</b>              |                |                |                        |                |                     |                        |                |                  |                 |
| <b>Balance as at March 31, 2023</b> | <b>2296.38</b> | <b>0.02</b>    | <b>11.58</b>           | <b>5558.14</b> | <b>2141.22</b>      | <b>130.48</b>          | <b>424.92</b>  | <b>36.25</b>     | <b>10598.99</b> |
| <b>Balance as at March 31, 2022</b> | <b>2296.38</b> | <b>0.02</b>    | <b>27.23</b>           | <b>6038.76</b> | <b>2611.65</b>      | <b>171.56</b>          | <b>480.14</b>  | <b>37.55</b>     | <b>11663.29</b> |

#### Notes

- Freehold land and buildings with carrying amount of ₹ 7845.47 Lakhs (March 31, 2022 ₹ 8325.62 Lakhs) have been mortgaged to secure borrowings of the Company. [Refer note 2.15]
- Plant and machinery with carrying amount of ₹ 2141.21 Lakhs (March 31, 2022 ₹ 2611.65 Lakhs) have been hypothecated to secure borrowings of the Company [Refer note 2.15]
- Vehicles with carrying amount of ₹ 131.45 Lakhs (March 31, 2022 ₹ 120.89 Lakhs) have been hypothecated to secure Vehicle loans of the Company [Refer note 2.15]

#### Capital Work in Progress

| CWIP   | To be completed in |           |           |           | Ageing Analysis  |           |           |           |
|--|--------------------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|
|  | Less than 1 year   | 1-2 years | 2-3 years | > 3 years | Less than 1 year | 1-2 years | 2-3 years | > 3 years |
| Plant and equipment as at March 31, 2023           | 2.38               | 0.00      | 0.00      | 0.00      | 2.38             | 0.00      | 0.00      | 0.00      |
| Plant and equipment as at March 31, 2022           | 0.00               | 0.00      | 0.00      | 0.00      | 0.00             | 0.00      | 0.00      | 0.00      |
| Office Block - Kanhan Factory as at March 31, 2023 | 18.36              | 0.00      | 0.00      | 0.00      | 3.97             | 14.39     | 0.00      | 0.00      |
| Office Block - Kanhan Factory as at March 31, 2022 | 13.60              | 0.00      | 0.00      | 0.00      | 13.15            | 0.45      | 0.00      | 0.00      |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.2 Investment property

| Particulars   | ₹ in Lakhs              |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Gross Block - Freehold land investment</b>   |                         |                         |
| <b>Balances at the beginning of the year</b>  | <b>156.25</b>           | 156.25                  |
| Additions   | <b>0.00</b>             | 0.00                    |
| Disposal  | <b>0.00</b>             | 0.00                    |
| <b>Balances at the year end</b>   | <b>156.25</b>           | 156.25                  |
| <b>Gross Block - Investment in residential premises</b>   |                         |                         |
| <b>Balances at the beginning of the year</b>  | <b>671.95</b>           | 671.95                  |
| Additions   | <b>0.00</b>             | 0.00                    |
| Disposal  | <b>0.00</b>             | 0.00                    |
| <b>Balances at the year end</b>   | <b>671.95</b>           | 671.95                  |
| <b>Accumulated depreciation - Investment in residential premises</b>  |                         |                         |
| <b>Balances at the beginning of the year</b>  | <b>195.66</b>           | 170.63                  |
| Additions   | <b>23.78</b>            | 25.03                   |
| Disposal  | <b>0.00</b>             | 0.00                    |
| Transfer to property plant and equipment  | <b>0.00</b>             | 0.00                    |
| <b>Balances at the year end</b>   | <b>219.44</b>           | 195.66                  |
| <b>Carrying amounts of</b>  |                         |                         |
| <b>Investment in residential premises</b>   |                         |                         |
| <b>Balances at the beginning of the year</b>  | <b>475.59</b>           | 500.62                  |
| Additions   | <b>0.00</b>             | 0.00                    |
| Disposal  | <b>0.00</b>             | 0.00                    |
| Depreciation expenses (net)   | <b>(23.78)</b>          | (25.03)                 |
| <b>Balances at the year end</b>   | <b>451.81</b>           | 475.59                  |
| <b>Freehold land investment</b>   |                         |                         |
| <b>Balances at the beginning of the year</b>  | <b>156.95</b>           | 156.95                  |
| Additions   | <b>0.00</b>             | 0.00                    |
| Disposal  | <b>0.00</b>             | 0.00                    |
| <b>Balances at the year end</b>   | <b>156.95</b>           | 156.95                  |
| <b>Total</b>  | <b>608.76</b>           | 632.54                  |
| 1 Direct Operating expenses arising from investment property that generated rental income during the year.        | <b>10.41</b>            | 20.53                   |
| 2 Direct Operating expenses arising from investment property that did not generate rental income during the year. | <b>9.68</b>             | 9.20                    |
| 3 Rental income from investment property  | <b>54.25</b>            | 12.46                   |

Freehold land, buildings (residential property) with carrying amount of ₹ 608.76 lakhs (March 31, 2022 ₹ 632.54 lakhs) have been mortgaged against borrowings from banks. [refer note 2.15].

#### Fair value of investment property

| Nature of property                 | ₹ in Lakhs              |                         |
|------------------------------------|-------------------------|-------------------------|
|                                    | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Investment in residential premises | <b>3286.98</b>          | 2692.98                 |
| Freehold land investment           | <b>6520.84</b>          | 6025.73                 |

#### Notes:

- I. The fair value of the Company's investment properties as at March 31, 2023 and March 31, 2022 have been arrived at on the basis of a valuation carried out as on the respective dates by an independent registered valuer not related to the Company, having appropriate recognised professional qualification and experience in the category of the property being valued.

- II. Valuation techniques and key inputs to determine the fair value:

Level 3 - Fair valuation of residential premises has been done by sales compensation method under market approach for March, 2023 and March 2022. A comparison is made for the purpose of valuation with similar properties that have been sold in the market and thus have a similarity to the subject property considering attributes like age, size, shape, quality of construction, building features condition, design, gentry etc. Accordingly a market value for the subject property is estimated from the adjusted sales price of the comparable properties.

Fair valuation of freehold land is based on Government rates, market trends and comparable values as considered appropriate



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.3 Intangible assets

| Particulars                         | ₹ in Lakhs |                   |
|-------------------------------------|------------|-------------------|
|                                     |            | Computer Software |
| <b>Gross Block</b>                  |            |                   |
| <b>Balance as at March 31, 2021</b> |            | 176.29            |
| Additions                           |            | 0.00              |
| Disposal                            |            | 0.00              |
| <b>Balance as at March 31, 2022</b> |            | 176.29            |
| Additions                           |            | 36.87             |
| Disposal                            |            | 0.00              |
| <b>Balance as at March 31, 2023</b> |            | 213.16            |
| <b>Accumulated amortisation</b>     |            |                   |
| <b>Balance as at March 31, 2021</b> |            | 116.58            |
| Additions                           |            | 25.22             |
| Disposal                            |            | 0.00              |
| <b>Balance as at March 31, 2022</b> |            | 141.80            |
| Additions                           |            | 24.28             |
| Disposal                            |            | 0.00              |
| <b>Balance as at March 31, 2023</b> |            | 166.08            |
| <b>Carrying amount</b>              |            |                   |
| <b>Balance as at March 31, 2023</b> |            | 47.08             |
| <b>Balance as at March 31, 2022</b> |            | 34.49             |

Amortisation on intangible assets is included under depreciation and amortisation expenses in the statement of profit and loss.

### 2.4 Investments

| Particulars   | ₹ in Lakhs              |                         |                         |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | Quantity                |                         | Fair Value              |                         |
|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Quoted investments</b>   |                         |                         |                         |                         |
| <b>Investments in equity instruments, fully paid-up</b><br>(Fair value through OCI) ^ |                         |                         |                         |                         |
| Hindustan Construction Co. Ltd<br>(F.V - ₹ 1 per share)                               | 476800                  | 476800                  | 65.32                   | 74.86                   |
| Tata Consultancy Services Ltd<br>(F.V - ₹ 1 per share)                                | 8000                    | 8000                    | 256.47                  | 299.20                  |
| National Thermal Power Corporation Ltd<br>(F.V - ₹ 10 per share)                      | 20110                   | 20110                   | 35.21                   | 27.15                   |
| <b>Investments in debentures - at amortised cost</b>                                  |                         |                         |                         |                         |
| 8.49% National Thermal Power Corporation Ltd *<br>(F.V. - ₹ 12.50 per share)          | 16759                   | 16759                   | 0.00                    | 0.00                    |
| <b>Total non-current investments</b>  |                         |                         | <u>357.00</u>           | <u>401.21</u>           |

\* The Company has received by way of bonus one (1) fully paid-up, secured, non-cumulative, non-convertible, redeemable, taxable debenture of face value of ₹ 12.50 each for every one (1) fully paid equity share of face value of ₹ 10.00 each of National Thermal Power Corporation Limited held as on March 23, 2015. These debentures carry interest coupon of 8.49% per annum.

^ In respect of equity investments which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in Other Comprehensive Income. Such an election is made by the Company on instrument by instrument basis at the time of transition for existing equity instruments / initial recognition for new equity instruments.

#### **Valuation technique and key inputs used to determine the fair value equity instruments:**

Level 1 - The fair value of the equity instruments which are not held for trading is obtained through the publicly available portals. The fair value of these instruments, represents the price at which the equity instruments are traded on the Stock Exchanges.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.5 Trade receivables

₹ in Lakhs

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Non-current</b>   |                         |                         |
| Trade receivables considered good - unsecured                    | <b>8133.09</b>          | 8501.00                 |
| Trade receivables which have significant increase in credit risk | <b>0.00</b>             | 0.00                    |
| Trade receivables - credit impaired                              | <b>0.00</b>             | 0.00                    |
|  | <b>8133.09</b>          | 8501.00                 |
| Less : Allowance for expected credit loss                        | <b>(93.19)</b>          | (99.66)                 |
| <b>Total non-current</b>   | <b>8039.90</b>          | 8401.34                 |
| <b>Current</b>   |                         |                         |
| Trade receivables considered good - unsecured                    | <b>74894.66</b>         | 71033.12                |
| Trade receivables which have significant increase in credit risk | <b>0.00</b>             | 0.00                    |
| Trade receivables - credit impaired                              | <b>0.00</b>             | 0.00                    |
|  | <b>74894.66</b>         | 71033.12                |
| Less : Allowance for expected credit loss                        | <b>(673.49)</b>         | (590.03)                |
| <b>Total current</b>   | <b>74221.17</b>         | 70443.09                |
| <b>Total trade receivables</b>                                   | <b>82261.07</b>         | 78844.43                |

Trade receivables includes retentions ₹ 43342.04 lakhs (March 31, 2022 ₹ 39329.64 lakhs)

Trade Receivables are hypothecated as security by creating 1<sup>st</sup> pari passu charge for securing working capital facilities loans from banks (refer note no. 2.15)

In accordance with Ind AS 109, the Company has used the practical expedient by computing the expected credit loss allowance for trade receivables by following simplified approach. The Expected credit loss model takes into account historical credit loss experience and adjusted for forward looking information.

The Company's customer profile includes government departments and large private corporates. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 36 to 60 months.

General payment terms include mobilisation advance, monthly progress payments and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank guarantees.

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.5 Trade receivables (Contd.)

#### Ageing analysis FY 2022- 23

₹ in Lakhs

| Sr. no. | Particulars   | Unbilled | Not Due | Outstanding for the following period from due date of payments: |                  |           |           |                   | 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                                 | 0.00     | 8425.24 | 28951.24  | 14705.64         | 11766.88  | 2806.04   | 16372.71          | 83027.75        |
| (ii)    | Undisputed - Trade Receivables – which have significant increase in credit risk |          |         |   |                  |           |           |                   |                 |
| (iii)   | Undisputed - Trade Receivables – credit impaired                                |          |         |   |                  |           |           |                   |                 |
| (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 Trade receivable</b>   |          |         |   |                  |           |           |                   | <b>83027.75</b> |
|         | Less : Allowance for expected credit loss                                       |          |         |   |                  |           |           |                   | <b>(766.68)</b> |
|         | <b>Total</b>  |          |         |   |                  |           |           |                   | <b>82261.07</b> |

#### Ageing analysis FY 2021-22

| Sr. no. | Particulars   | Unbilled | Not Due | Outstanding for the following period from due date of payments: |                  |           |           |                   | 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                                 | 0.00     | 4662.74 | 44152.87  | 4504.60          | 8861.50   | 3993.32   | 13359.09          | 79534.12        |
| (ii)    | Undisputed - Trade Receivables – which have significant increase in credit risk |          |         |   |                  |           |           |                   |                 |
| (iii)   | Undisputed - Trade Receivables – credit impaired                                |          |         |   |                  |           |           |                   |                 |
| (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 Trade receivable</b>   |          |         |   |                  |           |           |                   | <b>79534.12</b> |
|         | Less : Allowance for expected credit loss                                       |          |         |   |                  |           |           |                   | <b>(689.69)</b> |
|         | <b>Total</b>  |          |         |   |                  |           |           |                   | <b>78844.43</b> |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.6 Other financial assets

₹ in Lakhs

| Particulars                                     | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Non-current (Unsecured, considered good)</b> |                         |                         |
| Bank deposits *                                 | 1696.73                 | 3325.44                 |
| Interest accrued on deposits                    | 40.19                   | 32.72                   |
| Others ^  | 571.28                  | 588.25                  |
| <b>Total non-current</b>                        | <b>2308.20</b>          | <b>3946.41</b>          |
| <b>Current (Unsecured, considered good)</b>     |                         |                         |
| Interest accrued on deposits                    | 119.12                  | 61.42                   |
| Others ^  | 1464.70                 | 923.33                  |
| <b>Total current</b>                            | <b>1583.82</b>          | <b>984.75</b>           |
| <b>Total other financial assets</b>             | <b>3892.02</b>          | <b>4931.16</b>          |

Financial assets are hypothecated as security by creating 1<sup>st</sup> pari passu charge for securing working capital facilities loans (refer note no. 2.15)

\* Bank deposits are earmarked against bank guarantees given for performance of the contracts with customers.

^ Others includes security deposits, earnest money deposits and expenses reimbursement recoverable.

### 2.7 Deferred tax assets (net)

#### (A) Deferred tax liabilities

|   |               |               |
|---|---------------|---------------|
| On fiscal allowances on property, plant and equipment                             | 29.75         | 39.45         |
| On fair value on acquisition of land  | 127.73        | 127.73        |
| On Leases under Ind AS 116  | 1.05          | 0.00          |
| On equity instruments designated at fair value through other comprehensive income | 16.16         | 21.25         |
| <b>Total (A)</b>  | <b>174.69</b> | <b>188.43</b> |

#### (B) Deferred tax assets

|   |               |               |
|---|---------------|---------------|
| On allowances for expected credit loss              | 248.06        | 236.73        |
| On provision for employee benefits                  | 363.24        | 342.04        |
| On Leases under Ind AS 116                          | 0.00          | 8.22          |
| Disallowances under Sec 43B of Income Tax Act, 1961 | 20.16         | 5.70          |
| <b>Total (B)</b>                                    | <b>631.46</b> | <b>592.69</b> |

#### **Total deferred tax assets (net) [ (B) - (A) ]**

**456.77**      **404.26**

Deferred tax assets and deferred tax liabilities have been offset as they related to the same governing taxation laws.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.8 Income tax assets (net)

₹ in Lakhs

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Advance payment of taxes                                      | 6124.81                 | 12981.07                |
| Less: Provision for taxation                                  | 3922.64                 | 10373.54                |
| <b>Total income tax assets (net)</b>                          | <b>2202.17</b>          | <b>2607.53</b>          |
| <b>2.9 Other assets</b>                                       |                         |                         |
| <b>Non-current (Unsecured considered good)</b>                |                         |                         |
| Capital advances  | 0.00                    | 3.28                    |
| Indirect taxes receivable                                     | 3006.54                 | 3212.50                 |
| Others ^  | 60.35                   | 60.56                   |
| <b>Total non-current</b>                                      | <b>3066.89</b>          | <b>3276.34</b>          |
| <b>Current (Unsecured considered good)</b>                    |                         |                         |
| Contract work in progress (net of progress payments received) | 85300.11                | 66987.10                |
| Less: Allowances for expected credit loss                     | (218.86)                | (250.85)                |
|   | 85081.25                | 66736.25                |
| Advance to suppliers / contractors                            | 1038.06                 | 169.07                  |
| Indirect taxes receivable                                     | 13048.13                | 13147.04                |
| Others ^  | 2968.26                 | 2162.03                 |
| <b>Total current</b>  | <b>102135.70</b>        | <b>82214.39</b>         |
| <b>Total other asset</b>                                      | <b>105202.59</b>        | <b>85490.73</b>         |

Other assets are hypothecated as security by creating 1<sup>st</sup> pari passu charge for securing working capital facilities from bank. (refer note no. 2.15)

^ Others includes receivable on compulsory acquisition of land, security deposits and prepaid expenses.

### 2.10 Inventories

|                                     |                |                |
|-------------------------------------|----------------|----------------|
| Raw materials, stores and spares    |                |                |
| Raw materials                       | 1179.57        | 1289.39        |
| Stores and spares                   | 704.99         | 730.41         |
| Loose tools                         | 111.99         | 154.37         |
|                                     | 1996.55        | 2174.17        |
| Bought-out items                    | 2524.32        | 3290.46        |
| Finished goods and work in progress |                |                |
| Finished goods                      | 1659.55        | 1180.94        |
| Work in progress                    | 276.43         | 189.92         |
|                                     | 1935.98        | 1370.86        |
| Stock in trade - land               | 1086.92        | 1046.92        |
| <b>Total inventories</b>            | <b>7543.77</b> | <b>7882.41</b> |

The mode of valuation of inventory has been stated in note 1 (q) of significant accounting policy.

The cost of inventories recognised as expenses during the year was ₹ 5962.35 lakhs (March 31, 2022 ₹ 7655.02 lakhs), including in respect of write down of inventories, to net realisable value, ₹ 3.10 lakhs (March 31, 2022 ₹ 4.05 lakhs).

Inventories are hypothecated as security by creating 1<sup>st</sup> pari passu charge for securing working capital facilities from banks (refer note no. 2.15)



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.11 Cash and cash equivalents

₹ in Lakhs

| Particulars                             | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Cash on hand                            | 4.37                    | 4.01                    |
| Balances with banks in current accounts | 14.99                   | 67.28                   |
| <b>Total cash and cash equivalents</b>  | <b>19.36</b>            | <b>71.29</b>            |

### 2.12 Bank balances other than cash and cash equivalents

Earmarked balances with banks for :

|                                  |                |                |
|----------------------------------|----------------|----------------|
| Margin money deposits ^          | 4640.85        | 3860.43        |
| Unpaid dividend accounts         | 85.22          | 87.14          |
| <b>Total other bank balances</b> | <b>4726.07</b> | <b>3947.57</b> |

^ Earmarked against bank guarantees given for performance of the contracts with customers.

### 2.13 Equity share capital

#### Authorised Capital

100000000 ( 100000000 ) Equity shares of ₹ 2/- each.

**2000.00**      **2000.00**

#### Issued, subscribed and paid-up

48447170 ( 48447170 ) Equity shares of ₹ 2/- each fully paid-up.

**968.94**      968.94

#### a) Reconciliation of number of shares :

There was no movement in the number and value of equity shares during the year.

| Particulars                  | No of shares | Amount |
|------------------------------|--------------|--------|
| Balance as of April 01, 2021 | 48447170     | 968.94 |
| Balance as of March 31, 2022 | 48447170     | 968.94 |
| Particulars                  | No of shares | Amount |
| Balance as of April 01, 2022 | 48447170     | 968.94 |
| Balance as of March 31, 2023 | 48447170     | 968.94 |

#### b) Of the above :

- 24223585 ( 24223585 ) equity shares fully paid-up have been issued as bonus shares by capitalisation of general reserve
- 31934160 (31934160) equity shares are held by holding company IHP Finvest Limited.
- 872320 ( 872320 ) equity shares are held by ultimate holding Company Ratanchand Investment Pvt Ltd.

#### c) Aggregate number of bonus shares allotted during the period of immediately preceding 5 years - Nil.

#### d) Terms / rights attached to shares :

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.13 Equity share capital (Contd.)

e) Details of shares held by shareholders holding more than 5% of aggregate shares in the company :

| Particulars                  | IHP Finvest Ltd. (Holding company) |        |
|------------------------------|------------------------------------|--------|
|                              | No of shares                       | % held |
| Balance as of March 31, 2022 | 31934160                           | 65.92  |
| Balance as of March 31, 2023 | 31934160                           | 65.92  |

f) Shares held by promoters

| Promoters name                          | As at March 31, 2023 |                   | As at March 31, 2022 |                   | % change during the year |
|---|----------------------|-------------------|----------------------|-------------------|--------------------------|
|   | No. of shares        | % of total shares | No. of shares        | % of total shares |                          |
| 1 Rajas R Doshi                         | 409150               | 0.84              | 409150               | 0.84              | 0.00                     |
| 2 Jyoti R Doshi                         | 313330               | 0.65              | 313330               | 0.65              | 0.00                     |
| 3 Mayur Rajas Doshi                     | 172070               | 0.36              | 172070               | 0.36              | 0.00                     |
| 4 Aditya R Doshi                        | 173740               | 0.36              | 173740               | 0.36              | 0.00                     |
| 5 IHP Finvest Limited **                | 31934160             | 65.92             | 31934160             | 65.92             | 0.00                     |
| 6 Ratanchand Investment Private Limited | 872320               | 1.80              | 872320               | 1.80              | 0.00                     |

| Promoters name                          | As at March 31, 2022 |                   | As at March 31, 2021 |                   | % change during the year |
|---|----------------------|-------------------|----------------------|-------------------|--------------------------|
|   | No. of shares        | % of total shares | No. of shares        | % of total shares |                          |
| 1 Rajas R Doshi                         | 409150               | 0.84              | 409150               | 0.84              | 0.00                     |
| 2 Jyoti R Doshi                         | 313330               | 0.65              | 313330               | 0.65              | 0.00                     |
| 3 Mayur Rajas Doshi                     | 172070               | 0.36              | 172070               | 0.36              | 0.00                     |
| 4 Aditya R Doshi                        | 173740               | 0.36              | 173740               | 0.36              | 0.00                     |
| 5 IHP Finvest Limited                   | 31934160             | 65.92             | 31934160             | 65.92             | 0.00                     |
| 6 Ratanchand Investment Private Limited | 872320               | 1.80              | 872320               | 1.80              | 0.00                     |

\*\* Pledged 10169493 Equity Shares i.e. 20.99% (March 31, 2022 - 9086504 Equity Shares i.e 18.76%) of the paid-up share capital of the Company (Date of Creation of Pledge : December 08, 2021)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.14 Other equity

₹ in Lakhs

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| General reserve  | 13797.29                | 13797.29                |
| Retained earnings  | 54467.87                | 49913.39                |
| Other comprehensive income   | 297.87                  | 342.07                  |
| <b>Total other equity</b>  | <b>68563.03</b>         | <b>64052.75</b>         |
| <b>General reserve</b>   |                         |                         |
| <b>Balance at the beginning of the year</b>  | <b>13797.29</b>         | <b>13797.29</b>         |
| <b>Balance at the end of the year</b>  | <b>13797.29</b>         | <b>13797.29</b>         |
| <p>The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividend. As per Companies Act 2013, the requirements to transfer profit to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.</p> |                         |                         |
| <b>Retained earnings</b>   |                         |                         |
| <b>Balance at the beginning of the year</b>  | <b>49913.39</b>         | <b>45235.20</b>         |
| <u>Movement during the year</u>  |                         |                         |
| <u>Add</u>   |                         |                         |
| Profit for the year  | 5570.31                 | 5779.01                 |
| Gain/(Loss) on remeasurement defined benefit plans for the period  | (46.89)                 | (131.88)                |
| <u>Less</u>  |                         |                         |
| Final dividend   | (968.94)                | (968.94)                |
| <b>Balance at the end of the year</b>  | <b>54467.87</b>         | <b>49913.39</b>         |
| <p>The amount that can be distributed by the Company to its equity share holders is determined based on financial statement after considering the requirement of the Companies Act, 2013</p>   |                         |                         |
| <b>Reserve for equity instruments through other comprehensive income</b>   |                         |                         |
| <b>Balance at the beginning of the year</b>  | <b>342.07</b>           | <b>254.91</b>           |
| <u>Movement during the year</u>  |                         |                         |
| Fair value gain / (loss) on investments in equity instrument at FVTOCI (net of taxes)  | (44.20)                 | 87.16                   |
| <b>Balance at the end of the year</b>  | <b>297.87</b>           | <b>342.07</b>           |

This reserve represents cumulative gain and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.15 Borrowings

₹ in Lakhs

| Particulars                          | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                   |                         |                         |
| Secured at amortised cost            |                         |                         |
| Term loan                            |                         |                         |
| From banks                           | 1342.22                 | 2319.16                 |
| <b>Total non-current borrowings</b>  | <u>1342.22</u>          | <u>2319.16</u>          |
| <b>Current</b>                       |                         |                         |
| Secured at amortised cost            |                         |                         |
| Loans repayable on demand from banks | 13717.88                | 10628.14                |
| Other loans from banks               | 42091.07                | 40499.98                |
| Unsecured loans at amortised cost    |                         |                         |
| Short-term loans from banks          | 4500.00                 | 3000.00                 |
| Current maturities of long term debt | 1523.31                 | 1817.61                 |
| <b>Total current borrowings</b>      | <u>61832.26</u>         | <u>55945.73</u>         |
| <b>Total borrowings</b>              | <u>63174.48</u>         | <u>58264.89</u>         |

₹ in Lakhs

| Particulars  | Rate<br>of Interest | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|---------------------|-------------------------|-------------------------|
| <b>Non-current borrowings</b>  |                     |                         |                         |
| <b>(a) Secured loans</b>   |                     |                         |                         |
| (i) <u>Term loan from banks</u>  |                     |                         |                         |
| 1. Specific purpose term loan from HDFC Bank Ltd<br>Secured by first charge on factory land, building, movable assets, commercial and residential property purchased, erected, constructed out of this loan This loan is repayable in 20 quarterly instalments of ₹ 250.00 lakh, over a period of 7 years; which has commenced from August 2020. Last instalment will be due in May, 2025. | Floating 8.25%      | 2731.23                 | 3727.27                 |
| 2. Covid-19 relief term loan from State Bank of India<br>This loan is repayable in 18 monthly equal instalments of ₹97.22 lakh, over a period of 2 years; which has commenced from December 2020. Last instalment paid in May 2022. ^  | Floating 7.00%      | 0.00                    | 280.65                  |
| 3. Vehicle loan from Saraswat Co-operative Bank Ltd<br>Secured by hypothecation of the vehicles. Such loans are repayable in equal monthly instalments over a period of 5 years.   | 7.00% to 8.70%      | 134.30                  | 128.85                  |
| <b>Total Non-current borrowings</b>  |                     | <u>2865.53</u>          | <u>4136.77</u>          |
| Less: Current maturities of long term borrowings   |                     | 1523.31                 | 1817.61                 |
| <b>Total Non-current borrowings ^</b>  | <b>(a)</b>          | <u>1342.22</u>          | <u>2319.16</u>          |

^ The loans are secured by first pari passu charge on the entire current assets of the Company and second pari passu charge on Company's movable fixed assets, free-hold land, buildings, plant & machinery & other immovable property.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.15 Borrowings (Contd.)

₹ in Lakhs

| Particulars  | Rate of Interest             | As at March 31, 2023 | As at March 31, 2022 |
|--|------------------------------|----------------------|----------------------|
| <b>Current borrowings</b>  |                              |                      |                      |
| <b>(b) Secured loans ^</b>   |                              |                      |                      |
| (i) <u>Loans repayable on demand (cash credit)</u>   |                              |                      |                      |
| HDFC Bank Ltd  | 9.16%                        | 7090.10              | 6727.82              |
| Union Bank of India (formerly Corporation Bank)  | 10.10%                       | 2020.51              | 350.97               |
| IDFC Bank Ltd  | 0.00%                        | 0.00                 | 65.28                |
| ICICI Bank Ltd   | 9.80%                        | 11.14                | 21.12                |
| State Bank of India  | 10.20%                       | 2300.84              | 3366.01              |
| Bank of Baroda   | 9.80%                        | 2247.69              | 0.00                 |
| Axis Bank Ltd.   | 10.15%                       | 47.60                | 96.94                |
| <b>Total loans repayable on demand</b>   | <b>(b) (i)</b>               | <b>13717.88</b>      | <b>10628.14</b>      |
| (ii) <u>Other short-term borrowings (working capital demand loans)</u>   |                              |                      |                      |
| State Bank of India  | 10.20%                       | 10700.00             | 10699.98             |
| Terms of repayment is 180 days from date of availing the loan.   |                              |                      |                      |
| Bank of Baroda   | 9.15%                        | 4095.00              | 2500.00              |
| Terms of repayment is 90 to 180 days from date of availing the loan.   |                              |                      |                      |
| HDFC Bank Ltd  | 9.25%                        | 17500.00             | 17500.00             |
| Terms of repayment is 180 days from date of availing the loan.   |                              |                      |                      |
| IDFC Bank Ltd  | 10.05%                       | 3596.07              | 3600.00              |
| Terms of repayment is 90 to 180 days from date of availing the loan.   |                              |                      |                      |
| ICICI Bank Ltd   | 9.75%                        | 3000.00              | 3000.00              |
| Terms of repayment is 90 days from date of availing the loan.  |                              |                      |                      |
| AXIS Bank Ltd  | 9.75%                        | 2400.00              | 2400.00              |
| Terms of repayment is 180 days from date of availing the loan.   |                              |                      |                      |
| Union Bank of India (formerly Corporation Bank)  | 8.90%                        | 800.00               | 800.00               |
| Terms of repayment is 180 days from date of availing the loan.   |                              |                      |                      |
| <b>Total other loans repayable on demand</b>   | <b>(b) (ii)</b>              | <b>42091.07</b>      | <b>40499.98</b>      |
| <b>Total secured loans from banks [ (b) (i) + (b) (ii) ] ^</b>   | <b>(b)</b>                   | <b>55808.95</b>      | <b>51128.12</b>      |
| ^ The loans are secured by first pari passu charge on the entire current assets of the Company and second pari passu charge on Company's movable fixed assets, freehold land, buildings, plant & machinery & other immovable property. |                              |                      |                      |
| <b>(c) Unsecured short term loans from banks</b>   |                              |                      |                      |
| <u>Loans repayable on demand (working capital demand loans)</u>  |                              |                      |                      |
| HDFC Bank Ltd  | 8.15%                        | 0.00                 | 3000.00              |
| Terms of repayment is 90 days from date of availing the loan.  |                              |                      |                      |
| Yes Bank Ltd   | 8.90%                        | 2000.00              | 0.00                 |
| Terms of repayment is 29 days from date of availing the loan.  |                              |                      |                      |
| Kotak Mahindra Bank Ltd  | 10.25%                       | 2500.00              | 0.00                 |
| Terms of repayment is 90 days from date of availing the loan.  |                              |                      |                      |
| <b>Total unsecured short-term loans from banks</b>   | <b>(c)</b>                   | <b>4500.00</b>       | <b>3000.00</b>       |
| <b>(d) Current maturities of long term borrowings</b>  | <b>(d)</b>                   | <b>1523.31</b>       | <b>1817.61</b>       |
| <b>Total borrowings</b>  | <b>(a) + (b) + (c) + (d)</b> | <b>63174.48</b>      | <b>58264.89</b>      |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.15 Borrowings (Contd.)

#### Reconciliation of liabilities from financing activities

₹ in Lakhs

| Particulars                         | Long Term borrowings  | Short term borrowings  | Total                  |
|-------------------------------------|-----------------------|------------------------|------------------------|
| <b>Balance as at March 31, 2021</b> | 7736.69               | 47692.83               | 55429.52               |
| Proceeds                            | 45.17                 | 531565.06              | 531610.23              |
| Repayments                          | (3636.91)             | (525129.77)            | (528766.68)            |
| Fair value changes                  | (8.18)                | 0.00                   | (8.18)                 |
| <b>Balance as at March 31, 2022</b> | <b><u>4136.77</u></b> | <b><u>54128.12</u></b> | <b><u>58264.89</u></b> |
| Proceeds                            | 64.76                 | 561111.20              | 561175.96              |
| Repayments                          | (1332.00)             | (554930.37)            | (556262.37)            |
| Fair value changes (net)            | (4.00)                | 0.00                   | (4.00)                 |
| <b>Balance as at March 31, 2023</b> | <b><u>2865.53</u></b> | <b><u>60308.95</u></b> | <b><u>63174.48</u></b> |

### 2.16 Trade payables

₹ in Lakhs

| Particulars   | As at March 31, 2023   | As at March 31, 2022 |
|---|------------------------|----------------------|
| <b>Non-current</b>  |                        |                      |
| a) Total outstanding dues of micro and small enterprises  | <b>0.00</b>            | 0.00                 |
| b) Total outstanding dues of creditors other than micro and small enterprises   | <b>1884.86</b>         | 2143.90              |
| <b>Total non-current</b>  | <b><u>1884.86</u></b>  | <u>2143.90</u>       |
| <b>Current</b>  |                        |                      |
| a) Acceptances  |                        |                      |
| i) For dues of micro and small enterprises  | <b>3656.85</b>         | 175.96               |
| ii) For dues of creditors other than micro and small enterprises  | <b>10832.96</b>        | 8281.75              |
| b) Total outstanding dues of micro and small enterprises  | <b>1924.00</b>         | 1092.82              |
| c) Total outstanding dues of creditors other than micro and small enterprises   | <b>39493.00</b>        | 42290.64             |
| <b>Total current</b>  | <b><u>55906.81</u></b> | <u>51841.17</u>      |
| <b>Total trade payables</b>   | <b><u>57791.67</u></b> | <u>53985.07</u>      |
| The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006. The disclosure pursuant to the said Act is as under : |                        |                      |
| Principal amount due to suppliers under MSMED Act   | <b>1924.00</b>         | 1092.82              |
| Interest accrued and due to suppliers under MSMED Act on the above amount   | <b>10.08</b>           | 26.92                |
| Payment made to suppliers (other than interest) beyond appointed day during the year.   | <b>0.00</b>            | 0.00                 |
| Interest paid / adjusted to suppliers under MSMED Act   | <b>6.66</b>            | 0.00                 |
| Interest due and payable to suppliers under MSMED Act towards payments already made   | <b>68.95</b>           | 42.03                |
| Total interest due and payable to suppliers under MSMED Act towards payments already made   | <b>72.37</b>           | 68.95                |

Note : The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.16 Trade payables (Contd.)

#### Ageing analysis FY -2022-23

₹ in Lakhs

| Sr. no. | Particulars            | Unbilled | Not due  | Outstanding for the following period from due date of payments: |           |           |                   | Total           |
|---------|------------------------|----------|----------|---|-----------|-----------|-------------------|-----------------|
|         |                        |          |          | Less than 1 year  | 1-2 years | 2-3 years | More than 3 years |                 |
| (i)     | MSME                   | 0.00     | 5533.34  | 45.19   | 2.32      | 0.00      | 0.00              | 5580.85         |
| (ii)    | Others                 | 3123.62  | 32348.99 | 8366.96   | 2734.54   | 1156.69   | 4480.02           | 52210.82        |
| (iii)   | Disputed dues – MSME   |          |          |   |           |           |                   |                 |
| (iv)    | Disputed dues – Others |          |          |   |           |           |                   |                 |
|         | <b>Total</b>           |          |          |   |           |           |                   | <b>57791.67</b> |

#### Ageing analysis FY -2021-22

| Sr. no. | Particulars            | Unbilled | Not due  | Outstanding for the following period from due date of payments: |           |           |                   | Total           |
|---------|------------------------|----------|----------|---|-----------|-----------|-------------------|-----------------|
|         |                        |          |          | Less than 1 year  | 1-2 years | 2-3 years | More than 3 years |                 |
| (i)     | MSME                   | 0.00     | 1207.09  | 61.69   | 0.00      | 0.00      | 0.00              | 1268.78         |
| (ii)    | Others                 | 1041.11  | 23973.67 | 13114.38  | 816.09    | 1768.06   | 12002.98          | 52716.29        |
| (iii)   | Disputed dues – MSME   |          |          |   |           |           |                   |                 |
| (iv)    | Disputed dues – Others |          |          |   |           |           |                   |                 |
|         | <b>Total</b>           |          |          |   |           |           |                   | <b>53985.07</b> |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.17 Other financial liabilities

₹ in Lakhs

| Particulars                                      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Non-current</b>                               |                         |                         |
| Others ^   | 1550.32                 | 1552.32                 |
| <b>Total non-current</b>                         | <u>1550.32</u>          | <u>1552.32</u>          |
| <b>Current</b>                                   |                         |                         |
| Interest accrued on borrowings                   | 250.77                  | 234.89                  |
| Unpaid dividends                                 | 85.22                   | 87.14                   |
| Employee benefits payable                        | 1323.10                 | 1386.82                 |
| Current account : Directors (refer note no 2.32) | 1.49                    | 1.49                    |
| Others ^   | 27.20                   | 24.84                   |
| <b>Total current</b>                             | <u>1687.78</u>          | <u>1735.18</u>          |
| <b>Total other financial liabilities</b>         | <u>3238.10</u>          | <u>3287.50</u>          |

^ Others includes security deposits

### 2.18 Provisions

|                                    |                |                |
|------------------------------------|----------------|----------------|
| <b>Non-current</b>                 |                |                |
| Provision for compensated absences | 543.88         | 541.25         |
| Provision for Gratuity             | 0.00           | 0.00           |
| <b>Total non-current</b>           | <u>543.88</u>  | <u>541.25</u>  |
| <b>Current</b>                     |                |                |
| Provision for compensated absences | 341.02         | 327.14         |
| Provision for Gratuity             | 218.70         | 272.49         |
| <b>Total current</b>               | <u>559.72</u>  | <u>599.63</u>  |
| <b>Total provisions</b>            | <u>1103.60</u> | <u>1140.88</u> |

### 2.19 Other liabilities

|                                |                 |                 |
|--------------------------------|-----------------|-----------------|
| <b>Non-current</b>             |                 |                 |
| Advances from contractees *    | 484.04          | 447.80          |
| Others ^                       | 556.26          | 556.42          |
| <b>Total non-current</b>       | <u>1040.30</u>  | <u>1004.22</u>  |
| <b>Current</b>                 |                 |                 |
| Advances from contractees *    | 21098.88        | 12911.08        |
| Statutory dues payable         | 435.21          | 753.43          |
| <b>Total current</b>           | <u>21534.09</u> | <u>13664.51</u> |
| <b>Total other liabilities</b> | <u>22574.39</u> | <u>14668.73</u> |

\* Advances from contractees represents Contract Liabilities; which are payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

^ Other liabilities include security deposits and provision for contractual expenses

### 2.20 Current tax liabilities (net)

|  |               |               |
|--|---------------|---------------|
| Provision for taxation                     | 520.59        | 520.59        |
| Less: Advance payment of taxes             | 0.00          | 0.00          |
| <b>Total current tax liabilities (net)</b> | <u>520.59</u> | <u>520.59</u> |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.21 Revenue from operations

₹ in Lakhs

| Particulars   | For the Year<br>2022-23 | For the Year<br>2021-22 |
|---|-------------------------|-------------------------|
| Revenue from contracts with customers                   |                         |                         |
| Sale of products  | 5365.20                 | 6667.47                 |
| Construction revenue                                    | 144978.67               | 141024.65               |
| Operations and maintenance income                       | 3720.90                 | 3931.76                 |
| <b>Gross revenue from contracts with customers</b>      | <b>154064.77</b>        | <b>151623.88</b>        |
| Other operating income                                  |                         |                         |
| Sale of scrap   | 47.03                   | 110.52                  |
| Miscellaneous income                                    | 176.66                  | 304.69                  |
|   | <b>223.69</b>           | <b>415.21</b>           |
| <b>Total revenue from operations</b>                    | <b>154288.46</b>        | <b>152039.09</b>        |
| <b>2.22 Other income</b>                                |                         |                         |
| Dividend income *                                       | 10.50                   | 4.32                    |
| Interest income (on financial assets at amortised cost) |                         |                         |
| From Bank deposits                                      | 338.43                  | 301.77                  |
| From Others   | 149.89                  | 27.69                   |
| Rental income   |                         |                         |
| From investment property (refer note 2.2)               | 54.25                   | 12.46                   |
| From others   | 70.67                   | 66.78                   |
| Profit on sale of fixed assets (net)                    | 20.97                   | 51.86                   |
| Compensation for acquisition of land ^                  | 1518.55                 | 0.00                    |
| Miscellaneous income                                    | 6.19                    | 5.63                    |
| <b>Total other income</b>                               | <b>2169.45</b>          | <b>470.51</b>           |

\* Dividend income includes dividend from equity instruments (measured at FVTOCI) - ₹ 10.50 lakhs (March 31, 2022 ₹ 4.32 lakhs)

^ Other income for the year ended March 31, 2023 includes ₹ 1518.55 lakhs (March 31, 2022 ₹ Nil ) awarded during the year towards additional compensation inclusive of interest against compulsory acquisition of part of Yelhanka Bengaluru land in the year 2011-12 from National Highway Authority (NHA).



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.23 Cost of materials consumed

₹ in Lakhs

| Particulars                                | For the Year<br>2022-23 | For the Year<br>2021-22 |
|--|-------------------------|-------------------------|
| <b>Raw materials consumed</b>              |                         |                         |
| Opening inventory                          | 1289.39                 | 1343.56                 |
| Add: Purchases during the year             | 3262.89                 | 3721.60                 |
|  | <u>4552.28</u>          | <u>5065.16</u>          |
| Less: Inventory at the end of the year     | 1179.57                 | 1289.39                 |
|  | <u>3372.71</u>          | <u>3775.77</u>          |
| Stores and spares consumed                 | 471.18                  | 601.59                  |
| <b>Total cost of raw material consumed</b> | <u>3843.89</u>          | <u>4377.36</u>          |

### 2.24 Changes in inventories of finished goods, work in progress and stock in trade

I (Increase) / decrease in finished goods and work in progress

A) Stock at the beginning of the year

Finished goods

Work-in-progress

Total A

B) Stock at the end of the year

Finished goods

Work-in-progress

Total B

II (Increase) / decrease in stock in trade - land

A) Stock at the beginning of the year

Add: Legal and professional charges

B) Stock at the end of the year

Net (increase) / decrease in stock in trade [(A) - (B)]

**Total changes in inventories of finished goods,**

**Work in progress and stock in trade**

|  |                 |                 |
|--|-----------------|-----------------|
|  | 1180.94         | 703.84          |
|  | 189.92          | 313.03          |
|  | <u>1370.86</u>  | <u>1016.87</u>  |
|  |                 |                 |
|  | 1659.55         | 1180.94         |
|  | 276.43          | 189.92          |
|  | <u>1935.98</u>  | <u>1370.86</u>  |
|  | <u>(565.12)</u> | <u>(353.99)</u> |
|  |                 |                 |
|  | 1046.92         | 1046.92         |
|  | 40.00           | 0.00            |
|  | <u>40.00</u>    | <u>0.00</u>     |
|  |                 |                 |
|  | 1086.92         | 1046.92         |
|  | <u>(40.00)</u>  | <u>0.00</u>     |
|  | <u>(605.12)</u> | <u>(353.99)</u> |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.25 Construction expenses

| Particulars                                    | ₹ in Lakhs              |                         |
|--|-------------------------|-------------------------|
|  | For the Year<br>2022-23 | For the Year<br>2021-22 |
| Subcontracting expenses                        | 65927.31                | 65702.10                |
| Consumption of bought out items                |                         |                         |
| Opening inventory                              | 3290.46                 | 3372.33                 |
| Add: Purchases during the year                 | 54610.25                | 49614.39                |
|  | <u>57900.71</u>         | <u>52986.72</u>         |
| Less: Inventory at the end of the year         | 2524.32                 | 3290.46                 |
|  | <u>55376.39</u>         | <u>49696.26</u>         |
| Transport                                      | 788.95                  | 1608.50                 |
| Bank charges for performance guarantee         | 904.42                  | 757.59                  |
| Insurance                                      | 269.38                  | 361.88                  |
| Labour cess and other charges                  | 1212.71                 | 2045.27                 |
| <b>Total construction expenses</b>             | <u>124479.16</u>        | <u>120171.60</u>        |
| <b>2.26 Manufacturing and other expenses</b>   |                         |                         |
| Fabrication and other charges                  | 462.63                  | 723.88                  |
| Lining and out coating expenses                | 0.00                    | 52.68                   |
| Power & fuel                                   | 305.72                  | 338.05                  |
| <b>Total manufacturing and other expenses</b>  | <u>768.35</u>           | <u>1114.61</u>          |
| <b>2.27 Employee benefits expenses</b>         |                         |                         |
| Salary and wages                               | 6653.02                 | 6534.92                 |
| Contribution to provident fund and other funds | 867.76                  | 796.80                  |
| Compensated absences                           | 125.54                  | 195.17                  |
| Staff welfare expenses                         | 297.07                  | 256.73                  |
| <b>Total employee benefits expenses</b>        | <u>7943.39</u>          | <u>7783.62</u>          |
| <b>2.28 Finance costs</b>                      |                         |                         |
| Interest expenses on :                         |                         |                         |
| Long term loans                                | 279.27                  | 474.00                  |
| Short term loans                               | 4149.41                 | 3521.49                 |
| Leases (refer note 2.46)                       | 29.43                   | 42.14                   |
| Cash credit and other borrowings               | 1697.99                 | 1251.22                 |
|  | <u>6156.10</u>          | <u>5288.85</u>          |
| Other borrowing costs                          | 637.13                  | 567.68                  |
| <b>Total finance costs</b>                     | <u>6793.23</u>          | <u>5856.53</u>          |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.29 Depreciation and amortization expenses

₹ in Lakhs

| Particulars   | For the Year<br>2022-23 | For the Year<br>2021-22 |
|---|-------------------------|-------------------------|
| Depreciation on tangible assets                     | 1239.50                 | 1434.94                 |
| Depreciation on Right of Use of assets              | 266.42                  | 257.42                  |
| Depreciation on investment property                 | 23.78                   | 25.03                   |
| Amortisation on intangible assets                   | 24.28                   | 25.22                   |
| <b>Total depreciation and amortisation expenses</b> | <b>1553.98</b>          | <b>1742.61</b>          |

### 2.30 Other expenses

|   |                |                |
|---|----------------|----------------|
| Printing and stationery   | 89.58          | 76.80          |
| Communication expenses  | 56.81          | 55.35          |
| Travelling and conveyance                                       | 919.45         | 679.50         |
| Rent (net)  | 352.77         | 294.18         |
| Rates and taxes   | 237.13         | 182.71         |
| Insurance   | 234.10         | 224.28         |
| Repairs and maintenance   | 273.66         | 248.43         |
| Legal and professional charges                                  | 515.75         | 345.06         |
| Directors' sitting fees   | 41.40          | 42.60          |
| Commission to non executive directors                           | 64.53          | 65.00          |
| <u>Payment to auditors</u>                                      |                |                |
| As auditor :  |                |                |
| For audit   | 31.12          | 46.23          |
| For taxation matters  | 4.00           | 0.00           |
|   | <u>35.12</u>   | <u>46.23</u>   |
| For other services  | 15.86          | 11.59          |
| Reimbursement of expenses                                       | 1.45           | 0.03           |
|   | <u>52.43</u>   | <u>57.85</u>   |
| Cost audit fees   | 1.20           | 1.20           |
| Freight   | 429.42         | 530.19         |
| Bad debts and advances written off (net)                        | 72.61          | 83.82          |
| Allowance for expected credit loss (net) (refer note 2.5 & 2.9) | 45.01          | 150.12         |
| Donations   | 0.00           | 5.42           |
| Expenses on CSR activity ^ ^                                    | 171.06         | 205.00         |
| Miscellaneous expenses  | 886.38         | 771.56         |
| <b>Total other expenses</b>                                     | <b>4443.29</b> | <b>4019.07</b> |

- ^ ^
- The Company is required to incur CSR expenditure of ₹ 171.06 lakhs (March 31, 2022 ₹ 205.00 lakhs)
  - The areas for CSR activities undertaken by the Company are health, medical aid, and education grants etc. The Company has formed its CSR Committee as per the Companies Act, 2013 and Rules thereon.
  - The contribution for CSR activities to corpus of Ratanchand Hirachand Foundation, a Section 8 Company promoted by the promoters of the Company for undertaking CSR activities on behalf of the Company as per CSR Policy read with schedule VII of the Companies Act 2013.  
As per Section 135 of the Companies Act, 2013 (the Act) a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years (calculated in accordance with the provisions of section 198 of the Companies Act, 2013 ) on corporate social responsibility (CSR) activities/programs in terms of its CSR policy and schedule VII of the Act. The report on CSR activities and CSR expenditure incurred by the Company for the financial year 2022-23 is given in the Board's Report.
  - For the Financial year 2022-23 the Company could spend ₹ 99.27 lakhs ( March 31, 2022 ₹ 53.06 lakhs) out of the committed CSR obligations of ₹ 171.06 lakhs ( March 31, 2022 ₹ 205.00 lakhs) and was unable to spend CSR expenditure of ₹ 70.65 lakhs (March 31, 2022 ₹ 151.94 lakhs). Being non-ongoing CSR projects, the unspent CSR expenditure of ₹ 70.65 lakhs (after set off excess CSR expenditure of ₹ 1.14 lakhs of earlier year) for F.Y. 2022-23 will be donated/contributed to the specified Fund/s within a period of six months from the end of the financial year March 31, 2023 i.e. on or before September 30, 2023 as required under section 135(5) of the Companies Act, 2013 and Rules thereunder. The unspent CSR expenditure of ₹ 151.94 lakhs for FY 2021-22 was contributed to the specified fund.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.31 Earnings per share

| Particulars                                    |            | For the Year<br>2022-23 | For the Year<br>2021-22 |
|--|------------|-------------------------|-------------------------|
| Number of shares (face value ₹ 2.00 per share) | Nos.       | 48447170                | 48447170                |
| Profit after tax before exceptional items      | ₹ in Lakhs | 5570.31                 | 5779.01                 |
| EPS - basic and diluted                        | ₹          | 11.50                   | 11.93                   |

### 2.32 List of Related Party Transaction

Following are the related parties of the Company identified by the management

#### Holding Company

IHP Finvest Ltd.

#### Ultimate Holding Company

Ratanchand Investment Pvt Ltd

#### Key Management Personnel (KMP)

Mr Rajas R Doshi - Chairman and Managing Director

Mr Mayur R Doshi - Executive Director

#### Relatives of Key Management Personnel

Mrs. Jyoti R Doshi - Wife of Mr. Rajas R Doshi

Mr Aditya R Doshi - Son of Mr. Rajas R Doshi

Mrs. Anushree M Doshi - Wife of Mr. Mayur R Doshi

#### Enterprise over which KMP is able to exercise control / significant influence

Ratanchand Hirachand Foundation

Walchand Hirachand Foundation

Mobile Systems India Pvt Ltd

Raj Jyoti Trading & Investment Pvt Ltd

Smt. Pramila Shah Charity Foundation

Walchand Trust

#### Other related parties (Non-executive Directors)

Ms Anima B Kapadia

Mr Rajendra M Gandhi

Mr Rameshwar D Sarda

Mr Vijay Kumar Jatia

Ms Sucheta N. Shah



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.32 List of Related party transaction (Contd.)

Following is the list of transaction undertaken during the year

|    |  |  |  |                         | ₹ in lakhs              |  |
|----|--|--|--|-------------------------|-------------------------|--|
| No | Relationship   | Name of the party                          | Nature of transaction                  | For the year<br>2022-23 | For the year<br>2021-22 |  |
| 1  | Key management personnel   | Mr Rajas R Doshi                           | **Salary and perquisites               | 322.49                  | 425.43                  |  |
|    |  | Mr Mayur R Doshi                           | **Salary and perquisites               | 295.65                  | 270.75                  |  |
|    |  |  | Commission                             | 26.98                   | -                       |  |
|    |  |  | Rent Received                          | (36.00)                 | -                       |  |
| 2  | Relative of Key<br>management personnel                                | Mrs. Jyoti R Doshi                         | Sitting Fees                           | 4.80                    | 4.80                    |  |
|    |  |  | Commission                             | 10.75                   | 10.83                   |  |
| 3  | Holding Company  | IHP Finvest Ltd.                           | Rent And Other Charges Paid            | 155.75                  | 143.58                  |  |
|    |  |  | Security Deposit                       | -                       | 3.70                    |  |
|    |  |  | Inter corporate Deposit -<br>Availed   | (12,500.00)             | -                       |  |
|    |  |  | Inter corporate Deposit -<br>(Repaid)  | 12,500.00               | -                       |  |
|    |  |  | Interest on Inter corporate<br>Deposit | 73.87                   | -                       |  |
|    |  |  | Other charges received                 | (2.60)                  | (2.60)                  |  |
| 4  | Ultimate Holding Company   | Ratanchand Investment<br>Pvt Ltd.          | Other Charges Received                 | (0.47)                  | (0.47)                  |  |
| 5  | Enterprise over which KMP is able<br>to exercise significant influence | Mobile Systems India Pvt Ltd.              | Other Charges Received                 | (0.18)                  | (0.18)                  |  |
|    |  | Raj Jyoti Trading &<br>Investment Pvt Ltd. | Other Charges Received                 | (0.18)                  | (0.18)                  |  |
|    |  | Ratanchand Hirachand<br>Foundation.        | Other Charges Received                 | (0.21)                  | (0.21)                  |  |
|    |  | Walchand Hirachand<br>Foundation.          | Other Charges Received                 | (0.21)                  | (0.21)                  |  |
|    |  | Smt. Pramila Shah<br>Charity Foundation.   | Other Charges Received                 | (0.14)                  | (0.14)                  |  |
|    |  | Walchand Trust.                            | Other Charges Received                 | (0.02)                  | (0.02)                  |  |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.32 List of Related party transaction (Contd.)

|    |                       |                      |                       | ₹ in lakhs              |                         |
|----|-----------------------|----------------------|-----------------------|-------------------------|-------------------------|
| No | Relationship          | Name of the party    | Nature of transaction | For the year<br>2022-23 | For the year<br>2021-22 |
| 6  | Other related parties | Ms. Anima B Kapadia  | Commission            | 10.75                   | 10.83                   |
|    |                       |                      | Sitting Fees          | 3.60                    | 4.80                    |
|    |                       |                      | Legal Fees            | 40.00                   | 20.36                   |
|    |                       | Mr Rajendra M Gandhi | Commission            | 10.75                   | 10.83                   |
|    |                       |                      | Sitting Fees          | 10.20                   | 10.20                   |
|    |                       | Mr Rameshwar D Sarda | Commission            | 10.75                   | 10.83                   |
|    |                       |                      | Sitting Fees          | 8.40                    | 9.00                    |
|    |                       | Mr Vijay Kumar Jatia | Commission            | 10.75                   | 10.83                   |
|    |                       |                      | Sitting Fees          | 9.00                    | 9.00                    |
|    |                       | Ms Sucheta N. Shah   | Commission            | 10.75                   | 10.83                   |
|    |                       |                      | Sitting Fees          | 5.40                    | 4.80                    |

\*\* No separate actuarial valuation is obtained for amount paid to Key management personnel.

### Summary of outstanding balances payable / (receivable) from related parties

|                      |                         |                         | ₹ in lakhs |  |
|----------------------|-------------------------|-------------------------|------------|--|
| Name of the party    | As at<br>March 31, 2023 | As at<br>March 31, 2022 |            |  |
| Mr Rajas R Doshi *   | (65.12)                 | 14.30                   |            |  |
| Mr Mayur R Doshi **  | 51.97                   | -                       |            |  |
| Mrs. Jyoti R Doshi   | 10.75                   | 10.83                   |            |  |
| IHP Finvest Ltd.     | (40.70)                 | (40.70)                 |            |  |
| Ms Anima B Kapadia   | 50.75                   | 22.26                   |            |  |
| Mr Rajendra M Gandhi | 10.75                   | 10.83                   |            |  |
| Mr Rameshwar D Sarda | 10.75                   | 10.83                   |            |  |
| Mr Vijay Kumar Jatia | 10.75                   | 10.83                   |            |  |
| Ms Sucheta N. Shah   | 10.75                   | 10.83                   |            |  |

\* In addition to the above, balance of current account held by Mr. Rajas R. Doshi with the Company ₹ 0.99 lakhs (March 31, 2022 ₹ 0.99 lakhs)

\*\* In addition to the above, balance of current account held by Mr. Mayur R. Doshi with the Company ₹ 0.50 lakhs (March 31, 2022 ₹ 0.50 lakhs)



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.33 Movement of deferred tax assets / (liabilities)

₹ In lakhs

|   | Closing Balance<br>March 31,<br>2021 | Recognised<br>In profit<br>and Loss<br>statement | Recognised<br>In Other<br>comprehensive<br>Income | Closing Balance<br>March 31,<br>2022 | Recognised<br>In profit<br>and Loss<br>statement | Recognised<br>In Other<br>comprehensive<br>Income | Closing Balance<br>March 31,<br>2023 |
|---|--------------------------------------|--|---|--------------------------------------|--|---|--------------------------------------|
| <b>Deferred tax assets / (liabilities)</b>  |                                      |  |   |                                      |  |   |                                      |
| On fiscal allowances on property, plant and equipment                             | (55.63)                              | 16.18  | -   | (39.45)                              | 9.70   | -   | <b>(29.75)</b>                       |
| On fair value on acquisition of land  | (127.73)                             | -  | -   | (127.73)                             | -  | -   | <b>(127.73)</b>                      |
| On Equity instruments designated at fair value through other comprehensive income | (14.62)                              | -  | (6.63)  | (21.25)                              | -  | 5.09  | <b>(16.16)</b>                       |
| On Allowances for expected credit loss  | 198.94                               | 37.79  | -   | 236.73                               | 11.33  | -   | <b>248.06</b>                        |
| On Provision for employee benefits  | 284.73                               | 15.18  | 42.13   | 342.04                               | 3.72   | 17.48   | <b>363.24</b>                        |
| On Ind AS 116 - Leases  | 11.99                                | (3.77)   | -   | 8.22                                 | (9.27)   | -   | <b>(1.05)</b>                        |
| Disallowances under Sec 43B of Income Tax Act, 1961                               | 3.27                                 | 2.43   | -   | 5.70                                 | 14.46  | -   | <b>20.16</b>                         |
|   | <b>300.95</b>                        | <b>67.81</b>                                     | <b>35.50</b>                                      | <b>404.26</b>                        | <b>29.94</b>                                     | <b>22.57</b>                                      | <b>456.77</b>                        |

### 2.34 Tax charged / (credit) recognised in profit or loss

₹ In lakhs

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Current tax</b>  |                         |                         |
| <b>In respect of -</b>  |                         |                         |
| Current year  | <b>1648.04</b>          | 2080.74                 |
| Prior year  | <b>49.33</b>            | 6.25                    |
|   | <b>1697.37</b>          | 2086.99                 |
| <b>Deferred tax</b>   |                         |                         |
| <b>In respect of -</b>  |                         |                         |
| Current year  | <b>(20.25)</b>          | (62.48)                 |
| Prior year  | <b>(9.69)</b>           | (5.33)                  |
|   | <b>(29.94)</b>          | (67.81)                 |
| <b>Total tax expenses recognised</b>  | <b>1667.43</b>          | 2019.18                 |
| <b>2.35 Tax charged / (credit) recognised in other comprehensive income</b> |                         |                         |
| On re-measurement of defined benefit plans                                  | <b>(17.48)</b>          | (42.13)                 |
| On long term capital gain on equity shares                                  | <b>(5.09)</b>           | 6.63                    |
| <b>Total tax expenses recognised</b>  | <b>(22.57)</b>          | (35.50)                 |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.36 The reconciliation of estimated income tax expenses reported to income tax expenses at tax rate is as follows :

| Particulars  | ₹ In lakhs              |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Profit before tax  | 7237.74                 | 7798.19                 |
| Applicable tax rate  | 25.17%                  | 25.17%                  |
| Expected income tax expenses   | 1821.74                 | 1962.80                 |
| i Effect of expenses / provisions not deductible in determining taxable income | 66.05                   | 61.83                   |
| ii Effect of income exempt from tax  | (269.58)                | (6.19)                  |
| iii Impact on account of prior years taxation                                  | 49.33                   | -                       |
| iv Others  | (0.11)                  | 0.74                    |
|  | <u>(154.31)</u>         | <u>56.38</u>            |
| <b>Reported Income tax expenses</b>  | <u><b>1667.43</b></u>   | <u><b>2019.18</b></u>   |

### 2.37 Note on Capital management and financial risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that it can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimize cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted) consistent with others in the industry.

#### Capital Structure of the Company is as follows

| Particulars   | ₹ in lakhs              |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Debt Funds *  |                         |                         |
| Long term borrowings<br>(includes current maturities of long term borrowings) | 2865.53                 | 4136.77                 |
| Short term borrowings   | 60300.77                | 54128.12                |
| Own Funds   | 69531.97                | 65021.69                |

\* Debt includes long term, short term borrowings and current maturities of long term borrowings

#### The Company maintains following ratios

| Particulars                       | ₹ in lakhs              |                         |
|-----------------------------------|-------------------------|-------------------------|
|                                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Total Debt to total equity</b> | <b>0.91</b>             | 0.90                    |
| Long term debt to total equity    | 0.04                    | 0.06                    |
| Short term debt to total equity   | 0.87                    | 0.83                    |
| <b>Capital gearing ratio</b>      | <b>1.10</b>             | 1.12                    |

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.37 Note on Capital management and financial risk management (Contd.)

#### 1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly of risk such as interest rate risk and currency risk. Major financial instruments affected by market risk includes loans and borrowings.

#### (i) Interest rate risk

The Company is working capital intensive and is rated in "A" band category due to which it is in a position to negotiate competitive pricing for its working capital requirement from Consortium member banks and also from outside consortium banks. The Company avails funds from the banks for a committed / fixed rate of interest for a longer tenure and as such the exposure of the Company towards interest rate volatility is minimized.

With regard to Term Loans, exposure of the Company is not very significant and hence does not pose much threat towards unforeseen and unprecedented & volatile interest risk.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

| Particulars                                  | ₹ in lakhs              |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Term Loans</b>                            | <b>2865.53</b>          | 4136.77                 |
| <b>Short Term working capital facilities</b> | <b>60300.77</b>         | 54128.12                |

#### Sensitivity Analysis

##### Interest Rate Sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates for both long term and short term borrowings. The following table demonstrates the sensitivity in interest rates with all other variables held constant. The sensitivity analysis has been done on the closing balance of the loans outstanding.

| Particulars                                  | ₹ in lakhs  |                                |
|--|-------------|--------------------------------|
|  | Basis Point | Effect on profit<br>before tax |
| <b>Term Loans</b>                            |             |                                |
| Year ended March 31, 2023                    | + 50 bps    | (14.33)                        |
| Year ended March 31, 2022                    | + 50 bps    | (20.68)                        |
| <b>Short Term working capital facilities</b> |             |                                |
| Year ended March 31, 2023                    | + 100 bps   | (603.01)                       |
| Year ended March 31, 2022                    | + 50 bps    | (270.64)                       |

If the change in rates declined by similar percentage, there will be opposite impact of similar amount on profit before tax and pre-tax equity effect.

#### (ii) Foreign currency risk

The Company has insignificant transactions in foreign currency and hence the Company is not exposed to significant foreign exchange risk.

##### Sensitivity analysis

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact on the operating profits of the Company.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.37 Note on Capital management and financial risk management (Contd.)

#### 2 Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress and cash and cash equivalents.

- a Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consist of government entities having a strong credit worthiness. For other customers, the Company normally secures recoverability of dues by means of getting Letters of Credits established on first class banks in favour of the Company if the material is sold on credit or against receipt of advances from the customers for such supplies and unbilled work-in-progress.
- b Credit risk on cash and cash equivalents is limited as the Company invests in deposits with banks mainly for the purpose of offering EMDs for the tenders floated by prospective customers.

Exposure to the credit risk of the Company is as follows :

| Particulars                          | ₹ in lakhs              |                         |
|--------------------------------------|-------------------------|-------------------------|
|                                      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Trade Receivables                    | 82261.07                | 78844.43                |
| Contract work in progress            | 85081.25                | 66736.25                |
| Margin money deposits                | 6337.58                 | 7185.87                 |
| <b>Total exposure to credit risk</b> | <b>173679.90</b>        | <b>152766.55</b>        |

In accordance with Ind AS 109, the Company has used the practical expedient by computing the expected credit loss allowance for trade receivables by following the simplified approach. The Expected credit loss model takes into account historical credit loss experience and adjusted for forward looking information. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

Movement in the expected credit loss allowance

| Particulars                          | ₹ in lakhs              |                         |
|--------------------------------------|-------------------------|-------------------------|
|                                      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Balance at the beginning of the year | 940.52                  | 790.40                  |
| Movement during the year             | 45.01                   | 150.12                  |
| <b>Balance at the year end</b>       | <b>985.53</b>           | <b>940.52</b>           |

#### 3 Liquidity Risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

| Particulars                             | ₹ In Lakhs              |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Trade Payables                          | 57791.67                | 53985.07                |
| Borrowings                              | 61651.17                | 56447.29                |
| Other financial liabilities             | 3238.10                 | 3287.50                 |
| Current maturities of long term loan    | 1523.31                 | 1817.61                 |
| <b>Total exposure to liquidity risk</b> | <b>124204.25</b>        | <b>115537.47</b>        |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.37 Note on Capital management and financial risk management (Contd.)

The following table details the Company's' remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principle cash flow.

#### Maturity profile of financial liabilities :

| Particulars                          | ₹ In Lakhs              |                        |                     |
|--------------------------------------|-------------------------|------------------------|---------------------|
|                                      | within 1 year           | from 1 to 5 year       | more than 5 years   |
| <b>As At March 31, 2023</b>          |                         |                        |                     |
| Trade Payables                       | 46875.15                | 10916.52               | -                   |
| Borrowings                           | 60308.95                | 1342.22                | -                   |
| Other financial liabilities          | 3162.92                 | 1616.66                | 8.84                |
| Current maturities of long term loan | 1523.31                 | -                      | -                   |
|                                      | <b><u>111870.33</u></b> | <b><u>13875.40</u></b> | <b><u>8.84</u></b>  |
| <b>As At March 31, 2022</b>          |                         |                        |                     |
| Trade Payables                       | 42843.25                | 11141.82               | -                   |
| Borrowings                           | 54128.12                | 2319.16                | -                   |
| Other financial liabilities          | 3209.78                 | 1615.17                | 14.87               |
| Current maturities of long term loan | 1817.61                 | -                      | -                   |
|                                      | <b><u>101998.76</u></b> | <b><u>15076.15</u></b> | <b><u>14.87</u></b> |

### 2.38 Category of financials instrument

| Particulars  | ₹ In Lakhs              |                         |
|--|-------------------------|-------------------------|
|  | As at March 31, 2023    | As at March 31, 2022    |
| <b>(A) Financial assets</b>                          |                         |                         |
| <u>Measured at amortised cost (Refer note below)</u> |                         |                         |
| Trade receivables                                    | 82261.07                | 78844.43                |
| Cash and Cash equivalents                            | 19.36                   | 71.29                   |
| Other bank balances                                  | 4726.07                 | 3947.57                 |
| Other financials assets                              | 3892.02                 | 4931.16                 |
|  | <b><u>90898.52</u></b>  | <b><u>87794.45</u></b>  |
| Fair value through other comprehensive income        |                         |                         |
| Non-current investments (quoted)                     | 357.00                  | 401.21                  |
| <b>Total</b>   | <b><u>91255.52</u></b>  | <b><u>88195.66</u></b>  |
| <b>(B) Financial liabilities</b>                     |                         |                         |
| <u>Carried at amortised cost (Refer note below)</u>  |                         |                         |
| Borrowings   | 63174.48                | 58264.89                |
| Trade payables                                       | 57791.67                | 53985.07                |
| Other financial liabilities                          | 3238.10                 | 3287.50                 |
| Carried at FVTOCI                                    | -                       | -                       |
| <b>Total</b>   | <b><u>124204.25</u></b> | <b><u>115537.46</u></b> |

#### Note

The assets and liabilities which are measured at amortised cost have the same carrying value as at the period end.

### 2.39 Offsetting of financials assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.40 Financial assets hypothecated as security (Refer note 2.15)

The Company has availed fund and other non-fund based facilities which are secured by hypothecation of following financial assets :-

₹ In Lakhs

| Particulars             | As at            | As at            |
|-------------------------|------------------|------------------|
|                         | March 31, 2023   | March 31, 2022   |
| Trade receivables       | 82261.07         | 78844.43         |
| Other financials assets | 3892.02          | 4931.16          |
| Inventories             | 7543.77          | 7882.41          |
| Other assets            | 105202.59        | 85490.73         |
| <b>Total</b>            | <b>198899.45</b> | <b>177148.73</b> |

### 2.41 Defined benefit plans - as per actuarial valuation as on March 31, 2023

The below disclosures are prepared as per requirements of Ind AS 19 to the extent of information available with the Company.

#### A Funded plan - Gratuity

₹ in lakhs

|   | Funded Plan    |                |
|---|----------------|----------------|
|   | Gratuity       |                |
|   | March 31, 2023 | March 31, 2022 |
| <b>I Expenses recognised in statement of profit and loss for the year</b> |                |                |
| 1 Current and Past Service Cost   | 135.24         | 129.27         |
| 2 Interest Cost (net of income)   | 14.00          | 3.14           |
| 3 Expected return on plan assets  | -              | -              |
| <b>Total expenses included in employee benefit expense</b>                | <b>149.24</b>  | <b>132.41</b>  |
| <b>II Recognised in Other comprehensive income for the year</b>           |                |                |
| 1 Return on plan assets   | (53.46)        | (51.84)        |
| 2 Actuarial (gain) / loss arising from experience adjustment              | 122.92         | 219.22         |
| <b>Total Recognised in Other comprehensive income</b>                     | <b>69.46</b>   | <b>167.38</b>  |
| <b>III Net Assets / (Liability) recognised in the balance sheet as at</b> |                |                |
| 1 Present Value of Defined Benefit Obligation                             | 2698.25        | 2586.56        |
| 2 Fair Value of Plan Assets   | 2480.09        | 2325.94        |
| 3 Funded Status [Surplus/(Deficit)]                                       | (218.16)       | (260.62)       |
| 4 Net Asset/(Liability)   | (218.16)       | (260.62)       |
| <b>IV Change in Obligation during the year ended</b>                      |                |                |
| 1 Present value of Defined Benefit Obligation at the beginning of year    | 2586.56        | 2313.03        |
| 2 Current Service Cost  | 135.24         | 129.27         |
| 3 Interest Cost   | 132.85         | 114.34         |
| 4 Actuarial (Gains) / Losses  | 122.92         | 219.22         |
| 5 Benefits Payment  | (279.32)       | (189.30)       |
| 6 Present value of Defined Benefit Obligation at the end of year          | 2698.25        | 2586.56        |
| <b>V Change in Assets during the year ended</b>                           |                |                |
| 1 Plan Assets at beginning of the year                                    | 2325.94        | 2212.86        |
| 2 Expected return on Plan Assets  | 118.85         | 111.20         |
| 3 Contribution by Employers   | 261.16         | 139.33         |
| 4 Actual benefits paid  | (279.32)       | (189.30)       |
| 5 Actuarial Gains/(Losses) on Plan Assets                                 | 53.46          | 51.85          |
| 6 Plan Assets at end of the year  | 2480.09        | 2325.94        |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.41 Defined benefit plans - as per actuarial valuation as on March 31, 2023 (Contd.)

₹ in lakhs

|   |              | Funded Plan       |                    |
|---|--------------|-------------------|--------------------|
|   |              | Gratuity          |                    |
|   |              | March 31, 2023    | March 31, 2022     |
| <b>VI Actuarial Assumptions</b>   |              |                   |                    |
| 1 Discount Rate   |              | 7.30%             | 6.65%              |
| 2 Expected Rate of Return on plan assets  |              | 7.30%             | 6.65%              |
| 3 Mortality Pre-retirement  |              | IALM (2012-14)Ult | IALM (2012-14) Ult |
| 4 Rate of increase in compensation  |              | 4.00%             | 4.00%              |
| 5 Employee attrition rate   |              |                   |                    |
|   | <b>Staff</b> | <b>Labour</b>     |                    |
| Age 21 to 30 :  | 18%          | 20%               |                    |
| Age 31 to 50 :  | 6%           | 7% to 12%         |                    |
| Age 51 to 59 :  | 10%          | 12%               |                    |
| <b>VII Sensitivity Analysis (Change in present value of obligation (PVO) in case change in)</b> |              |                   |                    |
| DR - Discount rate  | PVO DR + 1%  | 2609.47           | 2495.50            |
|   | PVO DR - 1%  | 2797.50           | 2688.40            |
| ER - Salary escalation rate   | PVO ER + 1%  | 2797.29           | 2687.51            |
|   | PVO ER - 1%  | 2608.75           | 2494.10            |
| <b>VIII Expected pay-out</b>  |              |                   |                    |
| Year 1  |              | 1330.20           | 1177.50            |
| Year 2  |              | 258.25            | 290.27             |
| Year 3  |              | 288.27            | 232.65             |
| Year 4  |              | 234.45            | 258.57             |
| Year 5  |              | 159.94            | 197.85             |
| After Year 5  |              | 1554.26           | 1431.24            |

### B Funded plan - Provident fund

₹ in lakhs

|   |  | Funded Plan    |                |
|---|--|----------------|----------------|
|   |  | Provident Fund |                |
|   |  | March 31, 2023 | March 31, 2022 |
| <b>I Expenses recognised in statement of profit and loss for the year</b> |  |                |                |
| 1 Current and Past Service Cost   |  | -              | -              |
| 2 Interest Cost (net of income)   |  | -              | -              |
| 3 Expected return on plan assets  |  | -              | -              |
| <b>Total expenses included in employee benefit expense</b>                |  | -              | -              |
| <b>II Recognised in Other comprehensive income for the year</b>           |  |                |                |
| 1 Return on plan assets   |  | -              | -              |
| 2 Actuarial (gain) / loss arising from experience adjustment              |  | -              | -              |
| <b>Total Recognised in Other comprehensive income</b>                     |  | -              | -              |
| <b>III Net Assets / (Liability) recognised in the balance sheet as at</b> |  |                |                |
| 1 Present Value of Defined Benefit Obligation                             |  | -              | -              |
| 2 Fair Value of Plan Assets   |  | -              | -              |
| 3 Funded Status [Surplus/(Deficit)]                                       |  | -              | -              |
| 4 Net Asset/(Liability)   |  | -              | -              |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.41 Defined benefit plans - as per actuarial valuation as on March 31, 2023 (Contd.)

₹ in lakhs

|  | Funded Plan        |                    |
|--|--------------------|--------------------|
|  | Provident Fund     |                    |
|  | March 31, 2023     | March 31, 2022     |
| <b>IV Change in Obligation during the year ended</b>                   |                    |                    |
| 1 Present value of Defined Benefit Obligation at the beginning of year | -                  | -                  |
| 2 Current Service Cost   | -                  | -                  |
| 3 Interest Cost  | -                  | -                  |
| 4 Actuarial (Gains) / Losses   | -                  | -                  |
| 5 Benefits Payment   | -                  | -                  |
| 6 Present value of Defined Benefit Obligation at the end of year       | -                  | -                  |
| <b>V Change in Assets during the year ended</b>                        |                    |                    |
| 1 Plan Assets at beginning of the year                                 | 7592.02            | 7089.15            |
| 2 Expected return on Plan Assets                                       | 1079.12            | 578.88             |
| 3 Contribution by Employers and employee both                          | 549.59             | 802.23             |
| 4 Actual benefits paid   | (1060.64)          | (878.26)           |
| 5 Actuarial Gains/(Losses) on Plan Assets                              | -                  | -                  |
| 6 Plan Assets at end of the year                                       | 8160.09            | 7592.02            |
| <b>VI Actuarial Assumptions</b>  |                    |                    |
| 1 Discount Rate  | 7.30%              | 6.03%              |
| 2 Expected Rate of Return on plan assets                               | 8.15%              | 8.10%              |
| 3 Mortality Pre-retirement   | IALM (2012-14) Ult | IALM (2012-14) Ult |
| 4 Rate of increase in compensation                                     | 4.00%              | 4.00%              |
| 5 Employee attrition rate  |                    |                    |
|  | <b>Staff</b>       | <b>Labour</b>      |
| Age 21 to 30 :   | 18%                | 20%                |
| Age 31 to 50 :   | 6%                 | 7% to 12%          |
| Age 51 to 59 :   | 10%                | 12%                |

Note:

The Company makes contributions towards Provident Fund, Superannuation Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Company has recognised ₹ 690.88 lakhs (March 31, 2022 ₹ 638.26 lakhs) for the year being Company's contribution to Provident Fund, Superannuation Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

### C Through its gratuity fund the Company is exposed to a number of risks, the most significant of which are detailed below :

#### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, in case of gratuity fund, this will be partially offset by an increase in the return on the fund's assets

#### Longevity risk

The present value of Gratuity fund and leave 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 Gratuity fund and leave 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.

#### Investment risk

Funded plans being managed by insurers, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.42 Research and Development Expenditure

The revenue expense on research and development during the year under various heads amounts to ₹ 478.58 lakhs (March 31, 2022 ₹ 430.88 lakhs). Assets for research and development capitalised during the year under various heads amounts to ₹2.57 lakhs (March 31, 2022 ₹ 1382.53 lakhs)

### 2.43 Contingent liabilities and commitments (to the extent not provided for)

|   |   | ₹ in lakhs              |                         |
|---|---|-------------------------|-------------------------|
|   |   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| 1 | Claims against the Company not acknowledge as debts comprise of claims disputed by the Company relating to issue of applicability, classification, deductibility, etc.        |                         |                         |
|   | a. Claims against the company not acknowledged as debts   | 12.50                   | 12.50                   |
|   | b. Sales tax / VAT demand under appeal  | 35.01                   | 75.52                   |
|   | c. Demands raised by Excise department excluding interest, if any, leviable thereon.  | 145.03                  | 139.25                  |
|   | d. Service tax demand under appeal  | 366.78                  | 349.15                  |
|   | e. GST demand under appeal  | 4.83                    | -                       |
|   | The management believes that the outcome of any pending litigation will not have a material adverse effect on the Company's financial position and the results of operations. |                         |                         |
|   | In respect of above, it is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flow, if any.                        |                         |                         |
| 2 | Commitments for capital expenditure are estimated at  | 2.46                    | 3.28                    |

### 2.44 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

|  |                              | ₹ in lakhs                   |  |
|--|------------------------------|------------------------------|--|
| Particulars  | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |  |
| <b>CONTRACT WITH CUSTOMERS</b>   |                              |                              |  |
| Details of <b>revenue from contracts with customers</b> recognised by the Company, net of indirect taxes in its statement of profit and loss.  |                              |                              |  |
| <b>Revenue from operations</b>   |                              |                              |  |
| • Sale of goods  | 5365.20                      | 6667.47                      |  |
| • Construction contracts   | 144978.67                    | 141024.65                    |  |
| • Rendering of services - Operation and maintenance income   | 3720.90                      | 3931.76                      |  |
|  | <u>154064.77</u>             | <u>151623.88</u>             |  |
| <b>Impairment loss</b> on contract assets / trade receivables recognised in the statement of profit and loss based on evaluation under Ind AS 109 (refer note 2.37)  | 45.01                        | 150.12                       |  |
| <b>Disaggregated Revenue</b>   |                              |                              |  |
| The table below presents disaggregated revenues from contracts with customers by contract-type or customer type and timing of recognition. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors. |                              |                              |  |
| <u>Revenue based on market or customer type</u>  |                              |                              |  |
| Government / bodies established by Government  | 150616.17                    | 148957.65                    |  |
| Non-Government   | 3448.60                      | 2666.23                      |  |
|  | <u>154064.77</u>             | <u>151623.88</u>             |  |
| <u>Revenue based on its timing of recognition</u>  |                              |                              |  |
| Point in time  | 9086.10                      | 10599.23                     |  |
| Over a period of time  | 144978.67                    | 141024.65                    |  |
|  | <u>154064.77</u>             | <u>151623.88</u>             |  |

The Company derives its revenue from the transfer of goods and services over time in majority contracts.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.44 Disclosure pursuant to Ind AS 115 “Revenue from Contracts with Customers” (Contd.)

#### Contract balances

The following table provides information about contract assets and contract liabilities from contracts with customers:

₹ in lakhs

| Particulars                            | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--|------------------------------|------------------------------|
| <b>Contract Assets</b>                 |                              |                              |
| Contract work in progress *            | 85081.25                     | 66736.25                     |
| <b>Total contract assets (A)</b>       | <u>85081.25</u>              | <u>66736.25</u>              |
| <b>Contract Liabilities</b>            |                              |                              |
| Advance from contractees **            | 21582.92                     | 13358.88                     |
| <b>Total contract liabilities (B)</b>  | <u>21582.92</u>              | <u>13358.88</u>              |
| <b>Net Contract Balances (A) - (B)</b> | <u>63498.33</u>              | <u>53377.37</u>              |

\* Contract assets includes amounts related to our contractual right to consideration for completed performance obligations not yet invoiced.

\*\* Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

#### Significant changes in the contract asset balances

Increase in contract balances amounting to ₹ 10120.96 lakhs, is primarily due to higher advances received from contractees during the year.

Decrease in contract balances amounting to ₹ 12395.54 lakhs, is primarily due to higher invoicing over revenue recognition and advances received from contractees during previous period.

#### Transaction price allocated to the remaining performance obligations

The following table shows the aggregate amount of the transaction price allocated to (partially) performance obligations that are unsatisfied.

₹ in lakhs

| Particulars                | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|----------------------------|------------------------------|------------------------------|
| • Construction contracts ^ | 287658.14                    | 358139.83                    |

^ Balance work will be recognized over a period as per respective contract duration.

### 2.45 Ratio Analysis

| Ratio  | Numerator   | Denominator  | 2022-23 | 2021-22 | Variation % | Reason for Variance   |
|--|---|--|---------|---------|-------------|---|
| <b>Current Ratio</b> - The current ratio indicates a company's overall liquidity position.                                 | Current Assets  | Current Liabilities  | 1.34    | 1.33    | 0.53%       | -   |
| <b>Debt Equity Ratio</b> - Debt-to-equity ratio compares a Company's total debt to shareholders equity.                    | Total Debt  | Shareholders Equity  | 0.91    | 0.90    | 1.39%       | -   |
| <b>Debt Service Coverage Ratio</b> - It is used to analyse the firm's ability to pay-off current interest and instalments. | Earnings available for Debt Service = Net Profit after taxes + Non cash operating expenses like depreciation and other amortization + Interest + Other adjustments like loss on sale of Fixed Assets, etc | Debt Service = Interest (excluding interest on leases) + Lease payments + Principal Repayments | 1.76    | 1.23    | 42.62%      | Movement in ratio is due to substantial reduction in principal repayments of borrowings in current year |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.45 Ratio Analysis (Contd.)

| Ratio  | Numerator  | Denominator   | 2022-23       | 2021-22 | Variation % | Reason for Variance   |
|--|--|---|---------------|---------|-------------|---|
| <b>Return on Equity Ratio</b> - It measures the profitability of equity funds invested in the Company. It also measures the percentage return generated to equity-holders.           | Net Profit after Taxes   | Average Shareholders' Equity  | <b>8.58%</b>  | 9.23%   | -6.96%      | -   |
| <b>Inventory Turnover Ratio</b> - It measures the efficiency with which a Company utilizes or manages its inventory.   | Cost of Goods Sold   | Average Inventory   | <b>7.70</b>   | 6.99    | 10.10%      | -   |
| <b>Trade Receivable Turnover Ratio</b> - It measures the efficiency at which the firm is managing the receivables.   | Net Credit Sales consist of gross credit sales minus sales return  | Average Accounts Receivable (Trade Receivables includes Sundry Debtors and Bills Receivables) | <b>1.91</b>   | 2.15    | -11.22%     | -   |
| <b>Trade Payable Turnover Ratio</b> - It indicates the number of times sundry creditors have been paid during a period.  | Net Credit Purchases consist of gross credit purchases minus purchase return, subcontracting expenses, manufacturing expenses & other expenses | Average Trade Payable   | <b>2.30</b>   | 2.36    | -2.48%      | -   |
| <b>Net Capital Turnover Ratio</b> - It indicates a company's effectiveness in using its working capital.   | Net Sales shall be calculated as total sales minus sales returns   | Working Capital shall be calculated as Current Assets minus Current Liabilities               | <b>3.21</b>   | 3.69    | -13.07%     | -   |
| <b>Net Profit Ratio</b> - It measures the relationship between net profit and sales of the business.   | Net Profit after Tax   | Net Sales   | <b>3.61%</b>  | 3.80%   | -5.02%      | -   |
| <b>Return on Capital Employed</b> - Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. | EBIT (Earnings before Interest & Taxes)  | Capital Employed = Tangible Net worth + Total Debt + Deferred Tax liability                   | <b>10.58%</b> | 11.08%  | -4.53%      | -   |
| <b>Return on Investment (ROI)</b>  | Market value at year end - Market value at previous year end - Dividend income   | Market Value at year end + Dividend income  | <b>-8.19%</b> | 26.02%  | -131.46%    | Due to reduction in Market value of investments in March 2023 as compared to March 2022 |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.46 Leases as per Ind AS 116

#### I As a Lessee

The lease portfolio of the Company consists of agreements which fall under operating lease categories. These lease commitments primarily consist of lease rent payments for the Corporate office, project offices and staff accommodation.

#### Changes in the carrying value of Right-Of-Use (ROU) assets during the period :

|   | ₹ in Lakhs             |                         |
|---|------------------------|-------------------------|
|   | For theYear<br>2022-23 | For the Year<br>2021-22 |
| <b>Balance at the beginning of the period</b> | 408.83                 | 480.88                  |
| Additions                                     | 22.93                  | 185.37                  |
| Depreciation charge                           | (266.42)               | (257.42)                |
| <b>Balance at the end of period</b>           | <u>165.34</u>          | <u>408.83</u>           |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

#### Asset Class-wise right of use assets for the period ended March 31, 2023 are as follows :

| Particulars                                   | For theYear<br>2022-23 | For the Year<br>2021-22 |
|---|------------------------|-------------------------|
| <b>A] Buildings</b>                           |                        |                         |
| <b>Balance at the beginning of the period</b> | 402.28                 | 474.22                  |
| Additions                                     | 22.93                  | 185.37                  |
| Depreciation charge                           | (266.31)               | (257.31)                |
| <b>Balance at the end of period</b>           | <u>158.90</u>          | <u>402.28</u>           |
| <b>B] Land</b>                                |                        |                         |
| <b>Balance at the beginning of the period</b> | 6.55                   | 6.66                    |
| Additions                                     | 0.00                   | 0.00                    |
| Depreciation charge                           | (0.11)                 | (0.11)                  |
| <b>Balance at the end of period</b>           | <u>6.44</u>            | <u>6.55</u>             |
| <b>Total Right of Use of assets [A] + [B]</b> | <u>165.34</u>          | <u>408.83</u>           |

#### Movement in lease liabilities during the period :

| Particulars                                   | For theYear<br>2022-23 | For the Year<br>2021-22 |
|---|------------------------|-------------------------|
| <b>Balance at the beginning of the period</b> | 443.99                 | 531.66                  |
| Additions                                     | 22.93                  | 185.37                  |
| Finance cost accrued during the year          | 29.43                  | 42.14                   |
| Deletions                                     | 0.00                   | 0.00                    |
| Payment of lease liabilities                  | (329.42)               | (315.18)                |
| <b>Balance at the end of period</b>           | <u>166.93</u>          | <u>443.99</u>           |

#### The following is the break-up of current and non-current lease liabilities

| Particulars                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------|-------------------------|-------------------------|
| Current lease liabilities     | 62.83                   | 284.56                  |
| Non-current lease liabilities | 104.10                  | 159.43                  |
| <b>Total</b>                  | <u>166.93</u>           | <u>443.99</u>           |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.46 Leases as per Ind AS 116 (Contd.)

Details regarding the contractual maturities of lease liabilities :

₹ in Lakhs

| Particulars                                  | ₹ in Lakhs              |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Not later than 1 year                        | 62.83                   | 284.56                  |
| Later than 1 year but not later than 5 years | 104.10                  | 159.43                  |
| Later than 5 years                           | 0.00                    | 0.00                    |
| <b>Total</b>                                 | <b>166.93</b>           | <b>443.99</b>           |

The Company does not face a significant liquidity risk with regards to its lease liabilities as the Current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term lease was ₹ 745.09 lakhs for the year ended March 31, 2023 (March 31, 2022 ₹ 350.89 lakhs)

#### **As a Lessor**

The lease portfolio of the Company consists of agreements which falls under operating lease categories. These primarily consist of lease rent payments mainly for flats and lands classified as investment properties. The Company has recognised the rental income on straight line basis over the period of lease tenure.

Rental income recorded for lease on straight line basis was ₹ 113.41 lakhs for the year ended March 31, 2023 (March 31, 2022 ₹ 65.04 lakhs)

Details regarding the contractual maturities of lease payments to be received :

₹ in Lakhs

| Particulars                                  | ₹ in Lakhs              |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Not later than 1 year                        | 106.38                  | 25.99                   |
| Later than 1 year but not later than 5 years | 96.21                   | 29.47                   |
| Later than 5 years                           | 0.00                    | 0.00                    |
| <b>Total</b>                                 | <b>202.59</b>           | <b>55.46</b>            |

Rental income recorded for short-term leases was ₹ 110.39 lakhs for the year ended March 31, 2023 ( March 31, 2022 ₹ 66.63 lakhs)

### 2.47 Relationship with Struck off companies

| Name of struck off Company              | Nature of transactions with struck-off Company | Balance outstanding as on March 31, 2023 | Balance outstanding as on March 31, 2022 | Relationship with the Struck off company, if any, to be disclosed |
|---|--|--|--|---|
| Pridhvi Polymers Pvt Ltd                |  | 8.01                                     | 8.01                                     | NA  |
| Rahul and Dhanush Constructions Pvt Ltd | Payables                                       | 8.35                                     | 9.31                                     | NA  |
| Indian Techno E-School P Ltd            | (₹ in Lakhs)                                   | 0.03                                     | 0.16                                     | NA  |
| Sujala Pipes Private Ltd                |  | 0.13                                     | 0.13                                     | NA  |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**2.48** The Company operates in one Reportable Segment namely 'Construction'. The entity has thus organised its internal reporting structure, whereby the Chief Operating Decision Maker (CODM) evaluates the business activities and operating results of the remaining activities under one single segment namely 'Construction'.

### **2.49 Additional regulatory information**

- i No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii The Company did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- iii The Company did not have any transaction which had not been recorded in the books of account that had been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act ,1961).
- iv The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- v No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- vi The Company does not have any layers as prescribed under clause (87) of section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.
- vii The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- viii The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- ix The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.



## IMPORTANT FINANCIAL STATISTICS

| Year    | Paid up Capital |                    |         | Reserves & Surplus | Net Worth | Debentures | Fixed Assets |           | No of Factories / Projects | Income from Operations | Net Profit | Dividend                       | Dividend on Equity Shares |
|---------|-----------------|--------------------|---------|--------------------|-----------|------------|--------------|-----------|----------------------------|------------------------|------------|--------------------------------|---------------------------|
|         | Equity Capital  | Preference Capital |         |                    |           |            | Gross Block  | Net Block |                            |                        |            |                                |                           |
|         | ₹ Lakhs         | ₹ Lakhs            | ₹ Lakhs | ₹ Lakhs            | ₹ Lakhs   | ₹ Lakhs    | ₹ Lakhs      |           | ₹ Lakhs                    | ₹ Lakhs                | ₹ Lakhs    | %                              |                           |
| 1926-27 | 5.00            | -                  | -       | 5.00               | -         | 3.79       | 3.79         | 2         | 0.74                       | -1.40                  | -          | -                              |                           |
| 27-28   | 5.00            | -                  | -       | 5.00               | -         | 4.47       | 4.47         | 4         | 4.35                       | -0.55                  | -          | -                              |                           |
| 28-29   | 5.00            | -                  | 0.11    | 5.11               | -         | 5.58       | 5.58         | 4         | 5.26                       | 0.04                   | -          | -                              |                           |
| 29-30   | 5.00            | -                  | 0.11    | 5.11               | -         | 5.91       | 5.91         | 6         | 9.66                       | 1.54                   | -          | -                              |                           |
| 30-31   | 5.00            | -                  | 1.41    | 6.41               | -         | 6.51       | 6.51         | 9         | 8.81                       | 1.75                   | 0.30       | 26.00                          |                           |
| 31-32   | 5.00            | -                  | 2.47    | 7.48               | -         | 7.14       | 6.34         | 13        | 12.26                      | 2.17                   | 1.00       | 20.00                          |                           |
| 32-33   | 10.00           | -                  | 1.15    | 11.15              | -         | 13.04      | 11.24        | 17        | 11.38                      | 0.67                   | 1.00       | 10.00                          |                           |
| 33-34   | 10.00           | -                  | 1.32    | 11.32              | -         | 17.18      | 15.38        | 17        | 10.79                      | 1.18                   | 0.40       | 4.00                           |                           |
| 34-35   | 10.00           | -                  | 2.72    | 12.72              | -         | 17.86      | 15.46        | 23        | 12.41                      | 2.40                   | 1.25       | 12.00                          |                           |
| 35-36   | 10.00           | 6.00               | 4.46    | 20.46              | -         | 19.79      | 16.14        | 26        | 15.46                      | 4.11                   | 2.71       | 26.00                          |                           |
| 36-37   | 22.00           | -                  | 3.22    | 25.22              | -         | 25.45      | 18.55        | 30        | 31.85                      | 2.93                   | 2.86       | 13.00                          |                           |
| 37-38   | 30.00           | -                  | 1.93    | 31.93              | -         | 29.01      | 20.61        | 32        | 44.86                      | 1.60                   | 1.50       | 5.00                           |                           |
| 38-39   | 30.00           | -                  | 2.21    | 32.21              | -         | 30.91      | 21.01        | 35        | 40.82                      | 1.78                   | 1.80       | 6.00                           |                           |
| 39-40   | 30.00           | -                  | 1.82    | 31.82              | -         | 33.45      | 21.30        | 34        | 34.55                      | 1.41                   | 1.20       | 4.00                           |                           |
| 40-41   | 30.00           | -                  | 2.73    | 32.73              | 15.00     | 35.34      | 21.19        | 33        | 70.66                      | 2.10                   | 1.80       | 6.00                           |                           |
| 41-42   | 30.00           | -                  | 1.51    | 31.51              | 15.00     | 40.50      | 24.35        | 31        | 85.49                      | 2.08                   | 1.80       | 6.00                           |                           |
| 42-43   | 30.00           | -                  | 1.52    | 31.52              | 45.00     | 56.53      | 36.73        | 31        | 87.07                      | 2.31                   | 1.80       | 6.00                           |                           |
| 43-44   | 30.00           | -                  | 1.06    | 31.06              | 45.00     | 69.93      | 45.13        | 38        | 89.60                      | 2.09                   | 1.80       | 6.00                           |                           |
| 44-45   | 30.00           | -                  | 1.72    | 31.72              | 45.00     | 76.84      | 52.04        | 39        | 56.31                      | 0.96                   | -          | -                              |                           |
| 45-46   | 30.00           | 50.00              | 4.04    | 84.04              | 45.00     | 85.04      | 54.24        | 39        | 77.18                      | 3.32                   | 2.31       | -                              |                           |
| 46-47   | 30.00           | 50.00              | 3.37    | 83.37              | 45.00     | 96.58      | 59.28        | 44        | 77.52                      | 2.83                   | 2.50       | -                              |                           |
| 47-48   | 30.00           | 50.00              | 1.33    | 81.33              | 45.00     | 111.24     | 66.74        | 46        | 89.54                      | 0.96                   | -          | -                              |                           |
| 48-49   | 30.00           | 50.00              | 2.73    | 82.73              | 45.00     | 121.54     | 70.04        | 45        | 108.84                     | 1.40                   | 2.50       | -                              |                           |
| 49-50   | 30.00           | 50.00              | 6.72    | 86.72              | 45.00     | 130.98     | 65.48        | 44        | 147.43                     | 5.95                   | 5.90       | 3.00                           |                           |
| 50-51   | 30.00           | 50.00              | 7.54    | 87.54              | 31.05     | 117.72     | 46.95        | 45        | 140.97                     | 5.87                   | 4.30       | 6.00                           |                           |
| 51-52   | 30.00           | 50.00              | 9.32    | 89.32              | 29.58     | 123.01     | 38.93        | 47        | 130.84                     | 5.88                   | 4.30       | 6.00                           |                           |
| 52-53   | 30.00           | 50.00              | 14.63   | 94.63              | 29.23     | 131.74     | 38.87        | 52        | 147.39                     | 8.45                   | 7.00       | 15.00                          |                           |
| 53-54   | 30.00           | 50.00              | 14.10   | 94.10              | 29.19     | 139.06     | 37.22        | 50        | 140.53                     | 6.47                   | 5.20       | 9.00                           |                           |
| 54-55   | 30.00           | 50.00              | 19.16   | 99.16              | 29.19     | 148.49     | 38.19        | 57        | 183.46                     | 7.81                   | 5.20       | 9.00                           |                           |
| 55-56   | 30.00           | 50.00              | 33.53   | 113.53             | 29.18     | 155.28     | 48.78        | 55        | 229.29                     | 16.06                  | 5.20       | 9.00                           |                           |
| 56-57   | 30.00           | 50.00              | 52.35   | 132.35             | 29.18     | 159.43     | 48.61        | 57        | 275.91                     | 17.25                  | 5.20       | 9.00                           |                           |
| 57-58   | 30.00           | 50.00              | 67.20   | 147.20             | 29.18     | 165.15     | 46.96        | 58        | 250.62                     | 20.52                  | 5.20       | 9.00                           |                           |
| 58-59   | 30.00           | 50.00              | 79.71   | 159.71             | 29.18     | 192.08     | 65.87        | 56        | 253.84                     | 17.41                  | 6.40       | 13.00                          |                           |
| 59-60   | 60.00           | 50.00              | 85.54   | 195.54             | 29.18     | 225.73     | 88.22        | 58        | 268.69                     | 11.49                  | 8.13       | 13.00                          |                           |
| 60-61   | 60.00           | 50.00              | 109.38  | 219.38             | 29.18     | 246.93     | 100.42       | 60        | 349.46                     | 15.24                  | 10.30      | 13.00                          |                           |
| 61-62   | 60.00           | 50.00              | 120.97  | 230.97             | 29.18     | 263.33     | 105.30       | 59        | 352.37                     | 19.65                  | 10.90      | 14.00                          |                           |
| 62-63   | 60.00           | 50.00              | 139.63  | 249.63             | 29.18     | 272.67     | 116.20       | 57        | 376.40                     | 15.38                  | 10.90      | 14.00                          |                           |
| 63-64   | 60.00           | 50.00              | 159.58  | 269.58             | 29.18     | 302.93     | 134.25       | 60        | 487.93                     | 27.27                  | 11.50      | 15.00                          |                           |
| 64-65   | 60.00           | 50.00              | 176.61  | 286.61             | 50.00     | 323.78     | 140.85       | 59        | 537.39                     | 22.88                  | 11.50      | 15.00                          |                           |
| 65-66   | 60.00           | 50.00              | 194.97  | 304.97             | 50.00     | 353.17     | 152.60       | 60        | 574.68                     | 20.42                  | 11.50      | 15.00                          |                           |
| 66-67   | 120.00          | 50.00              | 153.19  | 323.18             | 50.00     | 365.39     | 147.41       | 60        | 528.10                     | 8.20                   | 13.87      | 10.00                          |                           |
| 67-68   | 120.00          | 50.00              | 147.88  | 317.88             | 50.00     | 379.49     | 148.63       | 59        | 491.36                     | 7.85                   | 14.50      | 10.00                          |                           |
| 68-69   | 120.00          | 50.00              | 153.86  | 323.86             | 50.00     | 440.07     | 193.03       | 58        | 574.49                     | 18.06                  | 14.50      | 10.00                          |                           |
| 69-70   | 120.00          | 50.00              | 145.57  | 315.57             | 50.00     | 482.33     | 212.05       | 58        | 589.86                     | -3.86                  | 14.50      | 10.00                          |                           |
| 70-71   | 120.00          | 50.00              | 145.08  | 315.08             | 50.00     | 499.88     | 212.70       | 53        | 563.27                     | 10.37                  | 14.50      | 10.00                          |                           |
| 71-72   | 120.00          | 50.00              | 157.39  | 327.39             | 50.00     | 508.78     | 201.05       | 55        | 639.15                     | 23.62                  | 16.90      | 10.00 + 2 %                    |                           |
| 72-73   | 120.00          | 50.00              | 168.46  | 338.46             | 50.00     | 541.70     | 212.17       | 55        | 762.11                     | 19.94                  | 16.90      | 12.00                          |                           |
| 73-74   | 120.00          | 50.00              | 192.32  | 362.32             | 50.00     | 559.02     | 208.02       | 53        | 891.16                     | 33.81                  | 12.10      | 8.00                           |                           |
| 74-75   | 120.00          | 50.00              | 215.49  | 385.49             | 50.00     | 581.43     | 213.61       | 55        | 850.06                     | 36.80                  | 16.90      | 12.00                          |                           |
| 75-76   | 120.00          | 50.00              | 234.78  | 404.78             | 50.00     | 609.74     | 221.37       | 51        | 995.94                     | 36.57                  | 21.70      | 12.00 + 4 % (Jubilee Dividend) |                           |
| 76-77   | 120.00          | 50.00              | 264.17  | 434.17             | 50.00     | 672.98     | 255.76       | 48        | 1350.84                    | 40.49                  | 21.70      | 12.00 + 4 %                    |                           |
| 77-78   | 150.00          | 50.00              | 258.31  | 458.31             | 1.47      | 806.68     | 457.37       | 49        | 1177.59                    | 19.16                  | 21.70      | 12.80 Bonus 1:4                |                           |
| 78-79   | 150.00          | 50.00              | 262.13  | 462.13             | -         | 828.17     | 330.83       | 50        | 1227.34                    | 19.65                  | 21.70      | 12.80                          |                           |
| 79-80   | 150.00          | 50.00              | 236.42  | 436.42             | -         | 836.28     | 331.50       | 50        | 1238.02                    | 28.99                  | 21.70      | 12.80                          |                           |
| 80-81   | 150.00          | 50.00              | 259.31  | 459.31             | -         | 857.28     | 306.50       | 50        | 1596.64                    | 41.70                  | 21.70      | 12.80                          |                           |

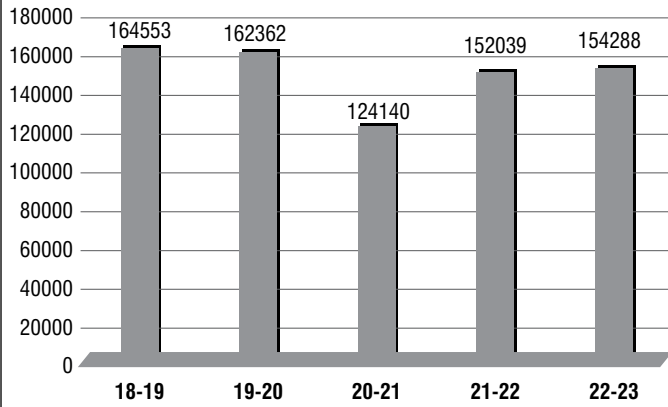
## IMPORTANT FINANCIAL STATISTICS

| Year    | Paid up Capital |                    |                          | Reserves & Surplus | Net Worth | Debentures | Fixed Assets |           | No of Factories / Projects | Income from Operations | Net Profit | Dividend | Dividend on Equity Shares %   |
|---------|-----------------|--------------------|--------------------------|--------------------|-----------|------------|--------------|-----------|----------------------------|------------------------|------------|----------|---|
|         | Equity Capital  | Preference Capital |                          |                    |           |            | Gross Block  | Net Block |                            |                        |            |          |   |
|         | ₹ Lakhs         | ₹ Lakhs            | ₹ Lakhs                  | ₹ Lakhs            | ₹ Lakhs   | ₹ Lakhs    | ₹ Lakhs      |           | ₹ Lakhs                    | ₹ Lakhs                | ₹ Lakhs    |          |   |
| 81-82   | 150.00          | 50.00              | 299.19                   | 499.19             | -         | 919.05     | 332.19       | 49        | 1804.52                    | 86.53                  | 29.51      | 15.00    | + 3% (Walchand Centenary Dividend)  |
| 82-83   | 150.03          | 50.00              | 382.13                   | 582.17             | -         | 1038.37    | 389.45       | 50        | 2018.93                    | 85.90                  | 25.01      | 15.00    |   |
| 83-84   | 150.03          | 50.00              | 551.85                   | 751.88             | -         | 1110.46    | 395.22       | 49        | 2190.96                    | 176.38                 | 29.51      | 18.00    |   |
| 84-85   | 225.05          | 50.00              | 830.58                   | 905.63             | 200.00    | 1340.53    | 509.86       | 51        | 2474.28                    | 163.31                 | 43.01      | 18.00    | Bonus 1:2   |
| 85-86   | 225.05          | 50.00              | 803.94                   | 1078.99            | 200.00    | 1510.97    | 533.76       | 49        | 2755.29                    | 221.18                 | 49.76      | 18.00    | +3% (Diamond Jubilee Dividend)  |
| 86-87   | 225.05          | 50.00              | 856.10<br>(Upto 30-9-86) | 1081.16            | 300.00    | 1666.49    | 502.27       | 49        | 2938.04                    | 100.05                 | 41.13      | 18.00    |   |
| 87-88   | 225.05          | -                  | 954.25                   | 1179.30            | 300.00    | 1688.52    | 510.15       | 48        | 3596.27                    | 138.86                 | 40.51      | 18.00    |   |
| 88-89   | 225.05          | -                  | 1102.53                  | 1327.59            | 300.00    | 1767.64    | 634.39       | 50        | 3328.10                    | 103.18                 | 33.76      | 15.00    | (For 9 months period)   |
| 89-90   | 337.58          | -                  | 1050.89                  | 1388.47            | 492.50    | 1893.35    | 664.92       | 51        | 5542.73                    | 107.56                 | 50.64      | 15.00    | Bonus 1:2   |
| 90-91   | 337.58          | -                  | 986.81                   | 1324.38            | 500.00    | 2050.47    | 930.84       | 50        | 4506.00                    | -176.50                | 50.64      | 15.00    |   |
| 91-92   | 337.58          | -                  | 991.84                   | 1329.41            | 409.00    | 2089.03    | 901.37       | 48        | 8209.35                    | 58.74                  | 50.64      | 15.00    | (For 18 months period)  |
| 92-93   | 337.58          | -                  | 1086.34                  | 1423.92            | 409.00    | 2122.21    | 892.55       | 47        | 4503.52                    | 123.15                 | 25.32      | 15.00    | (For 6 months period)   |
| 93-94   | 387.58          | -                  | 1177.08                  | 1564.66            | 286.33    | 2278.75    | 958.67       | 48        | 7651.09                    | 160.06                 | 65.26      | 18.00    |   |
| 94-95   | 387.58          | -                  | 1445.15                  | 1832.73            | 200.00    | 2452.32    | 1035.55      | 47        | 8805.39                    | 310.56                 | 77.52      | 20.00    |   |
| 95-96   | 387.58          | -                  | 2214.26                  | 2601.84            | 150.00    | 2464.23    | 968.85       | 46        | 7397.47                    | 866.00                 | 96.89      | 20.00    | +5% (Seventieth Anniversary Dividend)   |
| 96-97   | 387.58          | -                  | 2422.23                  | 2809.81            | 100.00    | 2443.29    | 946.31       | 43        | 7397.00                    | 293.24                 | 77.52      | 20.00    |   |
| 97-98   | 387.58          | -                  | 2692.85                  | 3080.43            | 50.00     | 2461.38    | 879.14       | 40        | 9224.05                    | 364.42                 | 85.27      | 22.00    |   |
| 98-99   | 387.58          | -                  | 2947.38                  | 3334.96            | -         | 2586.05    | 894.20       | 38        | 10027.52                   | 353.48                 | 89.14      | 23.00    |   |
| 99-00   | 387.58          | -                  | 3228.90                  | 3616.47            | -         | 2941.08    | 1173.59      | 39        | 10868.18                   | 380.46                 | 89.14      | 23.00    |   |
| 2000-01 | 387.58          | -                  | 3631.17                  | 4018.75            | -         | 3052.18    | 1186.74      | 38        | 10835.22                   | 530.41                 | 116.27     | 25.00    | +5% (Platinum Jubilee Dividend))  |
| 01-02   | 387.58          | -                  | 4246.98                  | 4634.56            | -         | 3116.95    | 1184.39      | 35        | 11520.83                   | 921.68                 | 116.27     | 30.00    |   |
| 02-03   | 387.58          | -                  | 5276.75                  | 5664.32            | -         | 3490.44    | 1423.40      | 35        | 14143.71                   | 1160.94                | 116.27     | 40.00    |   |
| 03-04   | 290.68          | -                  | 8950.91                  | 9241.60            | -         | 3928.48    | 1472.95      | 33        | 17207.62                   | 5075.35                | 726.71     | 50.00    | +200% (Special Interim Dividend)  |
| 04-05   | 290.68          | -                  | 10991.86                 | 11282.54           | -         | 4600.27    | 1926.83      | 31        | 21040.25                   | 2535.71                | 436.02     | 50.00    | +100% (Special Interim Dividend)  |
| 05-06   | 484.47          | -                  | 11521.75                 | 12006.22           | -         | 5701.92    | 2828.08      | 32        | 25608.72                   | 972.27                 | 218.01     | 40.00    | +5% (Eightieth Anniversary Dividend) & Bonus 2 : 3  |
| 06-07   | 484.47          | -                  | 12852.79                 | 13337.27           | -         | 6940.06    | 3724.87      | 30        | 36280.18                   | 1671.12                | 290.68     | 60.00    |   |
| 07-08   | 484.47          | -                  | 13957.80                 | 14442.27           | -         | 7224.78    | 3799.39      | 30        | 45180.13                   | 1501.76                | 339.13     | 70.00    |   |
| 08-09   | 484.47          | -                  | 16006.88                 | 16491.35           | -         | 9473.95    | 5607.64      | 29        | 66534.80                   | 2530.89                | 411.80     | 85.00    |   |
| 09-10   | 484.47          | -                  | 18297.37                 | 18781.84           | 2000.00   | 10863.77   | 6409.84      | 28        | 67564.54                   | 2857.30                | 484.47     | 100.00   |   |
| 10-11   | 484.47          | -                  | 20531.26                 | 21015.73           | -         | 12357.94   | 7210.67      | 25        | 64852.90                   | 2796.95                | 484.47     | 100.00   |   |
| 11-12   | 484.47          | -                  | 21560.56                 | 22045.03           | -         | 12571.31   | 7385.97      | 22        | 51716.92                   | 1592.36                | 484.47     | 100.00   |   |
| 12-13   | 484.47          | -                  | 23221.65                 | 23706.12           | -         | 14326.30   | 8060.06      | 22        | 69579.06                   | 2284.58                | 532.92     | 110.00   |   |
| 13-14   | 484.47          | -                  | 24947.14                 | 25431.61           | -         | 15385.51   | 8483.60      | 20        | 82301.30                   | 2405.66                | 581.37     | 120.00   |   |
| 14-15   | 484.47          | -                  | 28203.87                 | 28688.34           | -         | 15619.63   | 7506.06      | 20        | 100985.93                  | 4156.73                | 726.71     | 150.00   |   |
| 15-16   | 484.47          | -                  | 30180.89                 | 30665.36           | -         | 16260.81   | 7569.93      | 22        | 93893.91                   | 2909.97                | *775.15    | *150.00  | * Interim Dividend + 10% Ninetieth Anniversary Interim Dividend, confirmed as final dividend.         |
| 16-17   | 968.94          | -                  | 38991.78                 | 39960.72           | -         | 17549.34   | 7884.72      | 22        | 179954.10                  | 9878.46                | 1647.20    | *170.00  | Bonus 1:1 *Interim Dividend (50%) and Final Dividend (120%)   |
| 17-18   | 968.94          | -                  | 44340.29                 | 45309.23           | -         | -          | 6892.97      | 21        | 155138.25                  | 6606.27                | 1647.20    | 170.00   |   |
| 18-19   | 968.94          | -                  | 50991.16                 | 51960.10           | -         | -          | 8250.99      | 20        | 164552.77                  | 8631.24                | 1744.10    | 180.00   |   |
| 19-20   | 968.94          | -                  | 55895.79                 | 56864.73           | -         | -          | 12743.47     | 20        | 162362.23                  | 7340.84                | 968.94     | 100.00   |   |
| 20-21   | 968.94          | -                  | 59287.40                 | 60256.34           | -         | -          | 11417.23     | 19        | 124139.63                  | 4200.07                | 968.94     | 100.00   |   |
| 21-22   | 968.94          | -                  | 64052.75                 | 65021.69           | -         | -          | 11663.29     | 19        | 152039.09                  | 5779.01                | 968.94     | 100.00   |   |
| 22-23   | 968.94          | -                  | 68563.03                 | 69531.97           | -         | -          | 10598.99     | 19        | 154288.46                  | 5570.31                | *526.82    | 50.00    | * Includes Dividend on new Equity Shares, subject to compliance of formalities for new Equity Shares. |



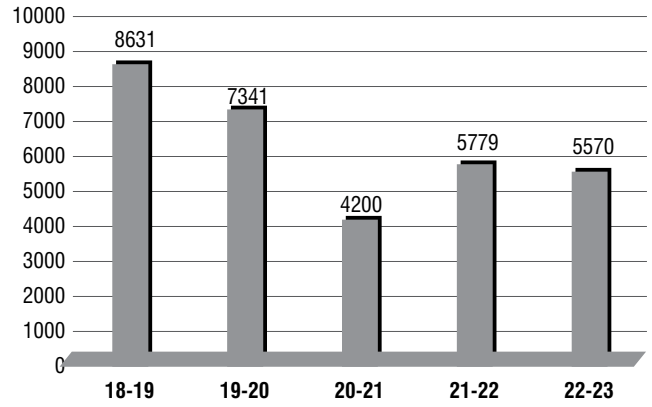
### INCOME FROM OPERATIONS

in Lakhs ₹



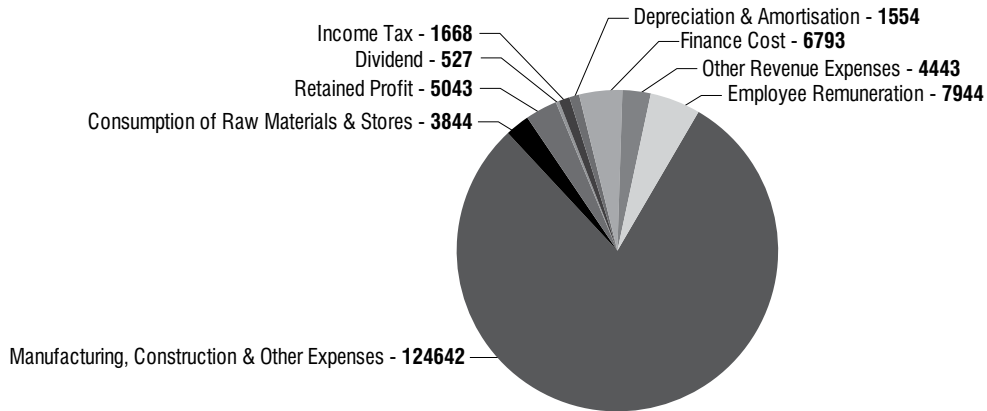
### NET PROFIT

in Lakhs ₹



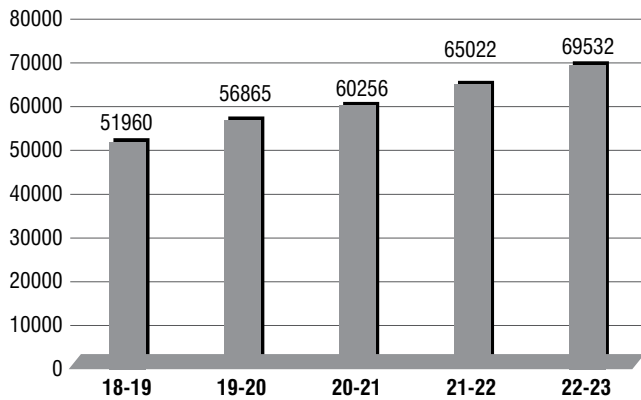
### DISTRIBUTION OF INCOME, EXPENDITURE AND PROFIT

in Lakhs ₹



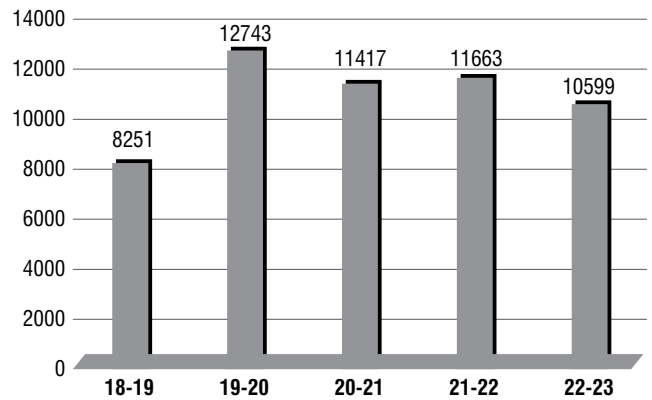
### SHAREHOLDERS' FUND

in Lakhs ₹



### PROPERTY, PLANT & EQUIPMENT

in Lakhs ₹



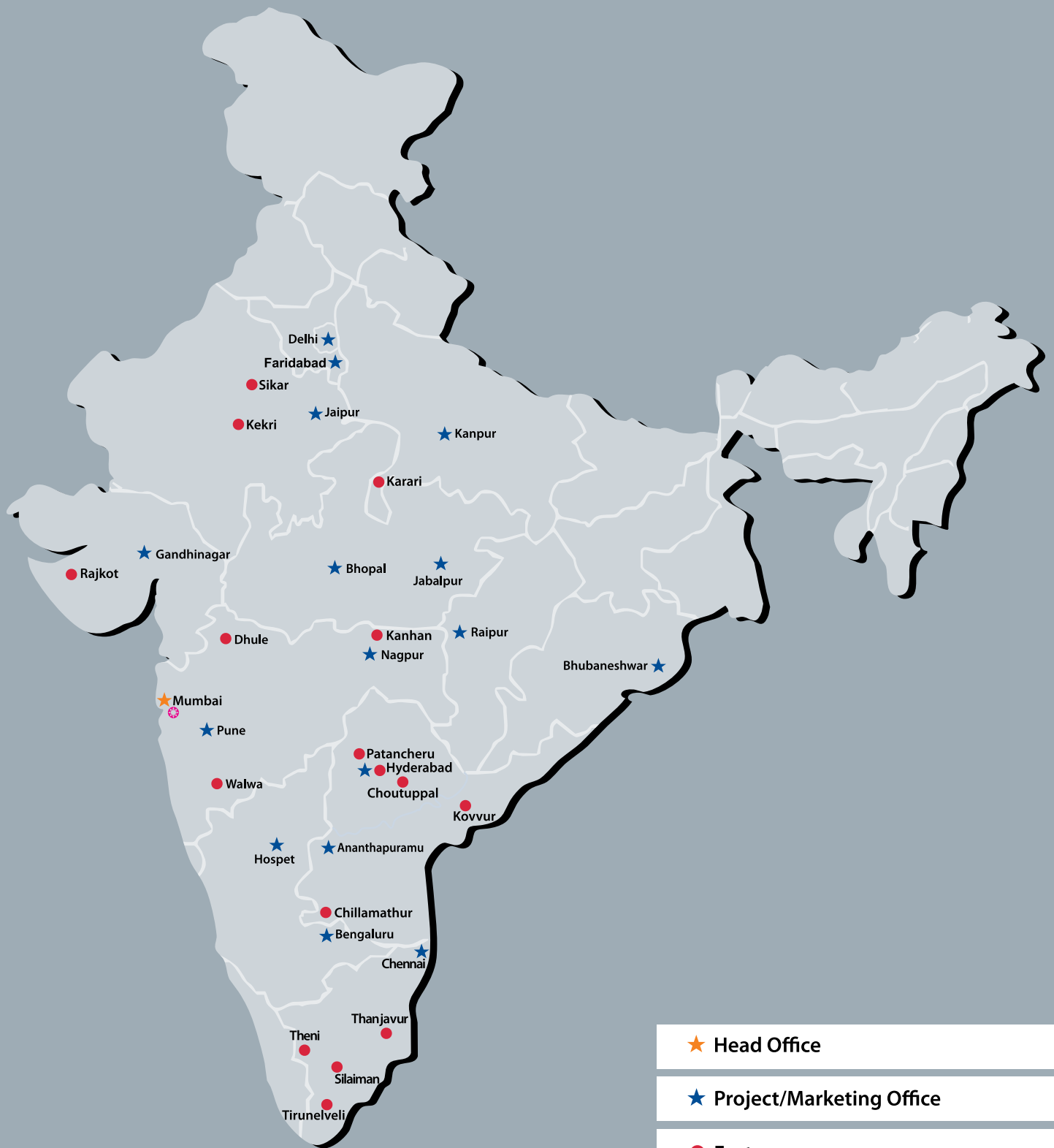








# IHP FACTORIES / OFFICES IN INDIA



★ Head Office

★ Project/Marketing Office

● Factory

★ Research & Development Division

MAP not to scale



## **The Indian Hume Pipe Co. Ltd.**

Regd. Office: Construction House, 5, Walchand Hirachand Road, Ballard Estate, Mumbai - 400 001.

Tel.: 91 22-2261 8091 / 40748181 Fax: 91 22-2265 6863 E-mail: [info@indianhumepipe.com](mailto:info@indianhumepipe.com)

Website: [www.indianhumepipe.com](http://www.indianhumepipe.com)

CIN: L51500MH1926PL001255