

Date: 5th September, 2024

To,
The Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

Scrip Code: 539984

Sub: Notice of the 64th Annual General Meeting ('AGM') and Annual Report for FY 2023-24 of Hindusthan Urban Infrastructure Limited ('the Company')

Ref: Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India

This is in furtherance to our letter dated 29th August, 2024 wherein the Company had informed about the 64th AGM of the Company scheduled to be held on Monday, 30th September, 2024 at 11:00 a.m. (IST) through Video Conferencing/Other Audio Visual Means ('VC/OAVM'), in accordance, with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India. In this regard, we wish to inform the following:

1. In accordance with the said circulars, the Notice of the AGM and Annual Report of the Company for the financial year 2023-24 are being sent through electronic mode to all the Members whose email ids are registered with the Company/Registrar and Transfer Agent ('RTA')/Depository Participant ('DP').
2. The Notice of the AGM and Annual Report of the Company for the financial year 2023-24 are also uploaded on the Company's website at www.hindusthanurban.com and the website of National Securities Depository Limited at www.evoting.nsdl.com. These documents can be accessed through the following links:

Notice of 64th AGM:

<http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=9>

Annual Report FY 2023-24:

<http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=8>

3. Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith Notice convening the 64th AGM and the Annual Report of the Company for the financial year 2023-24.
4. The Company has provided the facility to its Members to cast their vote electronically, through remote e-Voting facility (prior to AGM) and e-Voting facility (during the AGM), on all the resolutions set forth in the AGM Notice to the Members, who are holding shares on the Cut-off date i.e. Monday, 23rd September, 2024.



Insulators & Electricals Company:

1-8, New Industrial Area PB No. 1,
Mandideep-462045 (M.P.)

Faridabad Warehouse:

12/2, Milestone, Mathura Road,
Faridabad - 121 003 (Haryana)

Bhubaneswar:

Plot No. 321, 325/1386, Village,
Champahara, P.O. Malipada
District Khurda - 752 018, (Odisha)

Gwalior:

Industrial Area, P.O. Birla Nagar,
Gwalior - 474 004 (M.P.)

Guwahati Warehouse:

Plot No. 1C, Brahmaputra
Industrial Park, Vill: Silla, P.O.
College Nagar, North Guwahati,
Distt. Kamrup - 781 031 (Assam)

Bangalore:

Sy. No. 194, 195/1 & 196/1,
Kannamangala Village,
Bidarahalli Hobli, Bangalore
East Taluk, Bangalore - 560115

5. The Remote e-Voting facility will be available during the following period:

Commencement of remote e-Voting	Friday, 27 th September, 2024 (09:00 a.m. IST)
End of remote e-Voting	Sunday, 29 th September, 2024 (05:00 p.m. IST)

6. Detailed instructions for registering email id(s) and e-voting/ attendance at the AGM are given in the AGM Notice.

This is for your information and record.

Thanking you,

Yours Faithfully,

For Hindusthan Urban Infrastructure Limited

(M.L. Birmiwala)
President-Finance & Secretary

Registered Office: Kanchenjunga, (7th Floor) 18, Barakhamba Road, New Delhi – 110001

CIN: L31300DL1959PLC003141, Website: www.hindusthanurban.com

E-mail: investors@hindusthan.co.in, Phone: +91-11-23310001-05

NOTICE OF THE 64TH ANNUAL GENERAL MEETING

Notice is hereby given that the Sixty-Fourth Annual General Meeting (“AGM”) of the Members of Hindusthan Urban Infrastructure Limited will be held on Monday, 30th September, 2024, at 11.00 A.M. (IST) through Video Conferencing/Other Audio-Visual Means (“VC/OAVM”), to transact the following businesses:

The proceedings of the Sixty-Fourth Annual General Meeting (“AGM”) shall be deemed to be conducted at the Registered Office of the Company at 7th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi-110001 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited financial statements (including the Audited Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2024 and the Reports of the Board of Directors (“the Board”) and Auditors thereon.
2. To appoint a Director in place of Mr. Shyam Sunder Bhuwania (DIN: 00107171), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment of Mr. Deepak Kejriwal (DIN: 07442554) as Managing Director of the Company:

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:-

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and any other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to all other applicable regulatory approvals, consent and permissions, if any required, and based on the recommendations of the Board of Directors and Nomination and Remuneration Committee of the Company, approval of the members be and is hereby accorded to re-appoint Mr. Deepak Kejriwal (DIN: 07442554) as Managing Director of the Company for a further term of three years with effect from 1st December, 2024, liable to retire by rotation, upon the following terms and conditions and remuneration not exceeding of Rs.75 Lakhs per annum with liberty to the Board of Directors (herein after referred to as the “Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and

conditions of the said re-appointment and/or remuneration as it may deem fit without referring the matter to the General Body not exceeding the limits specified under Schedule V of the companies Act, 2013 as amended/modified or any statutory modification or re-enactment thereof including any guidelines or notification or rules on managerial remuneration issued by the Central Government from time to time and as may be acceptable to Mr. Deepak Kejriwal:

Compensation	Annual CTC Breakup (INR)
Fixed Compensation	
i. Monthly Payments	
Basic	276741
House Rent Allowance (HRA 50%)	138626
Leave Travel Allowance	21625
Conveyance Allowance (CA)	43236
Total Monthly Gross	480228
Total Annual Gross	5762735
ii. Annual Retiral Payments:	
**PF Employer Contribution	33209
**Gratuity Provision (As per Law)	14063
**Bonus (As per Law)	0
*ESI	0
Total Annual Retrial Payments (c)	567262
1. Total Fixed Annual Earning	6330000
Monthly Car Reimbursement @ 35000/- pm	420000
Variable Pay	
***Variable Pay Scheme (VPS)	750000
2. Annual Variable Pay (d)	750000
Total Annual Remuneration (1+2)	7500000

Note:

* LTA payable as per company policy.

** PF, Gratuity, Bonus & ESI applicable as per law.

***Variable Pay shall be subject to:

a) Terms & Conditions of Appointment Letter.

b) Individual & Organisational Performance for a specific calendar and based on the management discretion.”

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of the said Managing Director, the company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration.

RESOLVED FURTHER THAT Mr. Murari Lal Birmiwala, President-Finance & Secretary be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental thereto to give effect to this resolution including filing of requisite e-forms with the MCA(ROC) or such other authority as may be required.”

4. **Re-appointment of Ms. Deepika Agrawal (DIN: 09395834) as an Independent Director of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendations of the Board of Directors and Nomination and Remuneration Committee of the Company, Ms. Deepika Agrawal (DIN: 09395834), who was appointed as an Independent Director at the 62nd Annual General Meeting of the Company and who holds office as an Independent Director up to 12th November, 2024 and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 13th November, 2024 to 12th November, 2029 (both days inclusive).

RESOLVED FURTHER THAT Mr. Murari Lal Birmiwala, President-Finance & Secretary be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental thereto to give effect to this resolution including filing of requisite e-forms with the MCA(ROC) or such other authority as may be required.”

5. **Appointment of Mr. Shiv Shanker Aggarwal (DIN:07060407) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendations of the Board of Directors and Nomination and Remuneration Committee of the Company, Mr. Shiv Shanker Aggarwal (DIN:07060407), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company by the Board of Directors with effect from 10th August, 2024 under Section 161 of the Act and in accordance with the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company and who qualifies for being appointed as an Independent Director 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 the Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 10th August, 2024 upto 9th August, 2029 (both days inclusive).

RESOLVED FURTHER THAT Mr. Murari Lal Birmiwala, President-Finance & Secretary be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental thereto to give effect to this resolution including filing of requisite e-forms with the MCA(ROC) or such other authority as may be required.”

6. Ratification of Cost Auditor’s Remuneration for the Financial Year 2024-25

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

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee, consent of the members of the Company be and is hereby accorded for ratification of the remuneration of Rs. 35000/- (Rupees Thirty Five Thousand only) exclusive of out of pocket expenses incurred during the course of audit for visit to Company’s work plus applicable taxes payable to M/s J.K. Kabra & Co., Cost Accountants (Firm Registration No. 000009), who have been re-appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2025.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to this resolution.”

Date: 10th August, 2024
Place: New Delhi

By Order of the Board of Directors
For Hindusthan Urban Infrastructure Limited
Sd/-
(M.L. Birmiwala)
President-Finance & Secretary

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') relating to the Special Business, i.e. Item Nos. 3 to 6, to be transacted at the Annual General Meeting ('AGM') is annexed hereto.
2. Pursuant to General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs ("MCA") read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively and MCA General Circular No. 09/2023 dated 25th September, 2023 ("MCA Circulars") and SEBI Circular(s) dated 12th May, 2020, 15th January, 2021, 13th May, 2022, 5th January, 2023 and 7th October, 2023 issued by the Securities and Exchange Board of India ('SEBI') along with other applicable Circulars issued by MCA and/or SEBI in this regard, the Company will be conducting this 64th Annual General Meeting ("AGM" or "Meeting") through Video Conferencing/Other Audio Visual Means ("VC"/"OAVM").
3. Pursuant to the above-mentioned Circulars, physical attendance of the Members is not required at the AGM and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013 ("the Act").
4. Pursuant to the provisions of the Act, 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. Since the AGM is being held in accordance with the Circulars through VC/OAVM, the facility for the appointment of proxy by the members will not be available and hence the proxy form and attendance slip are not annexed to this notice
5. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorise their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorisation letter to the Scrutinizer by email to fspankaj@gmail.com with a copy marked to evoting@nsdl.co.in and to compliances@skylinerta.com or info@skylinerta.com and also to the Company at investors@hindusthan.co.in, authorising its representative(s) to attend through VC/OAVM and vote on their behalf at the Meeting, pursuant to section 113 of the Act.
6. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote.
7. In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
8. **BOOK CLOSURE:** The Register of Members and share transfer books of the Company will remain closed from 24th September, 2024 to 30th September, 2024 (both days inclusive) for the purpose of AGM.
9. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e.

30th September, 2024. Members seeking to inspect such documents can send an email to investors@hindusthan.co.in.

10. Members are requested to address all correspondence, including dividend-related matters, to RTA, Skyline Financial Services Private Limited, Unit: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.
11. **IEPF:** Members wishing to claim dividends that remain unclaimed/unpaid are requested to correspond with the RTA as mentioned above or with the Company Secretary, at the Company's registered office or at investors@hindusthan.co.in. Members are requested to note that dividends that are unclaimed/unpaid for seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF) Authority. Shares on which dividend remains unpaid/unclaimed for seven consecutive years shall be transferred to Demat Account of IEPF Authority as per the provisions of Section 124 of the Act, read with applicable IEPF rules. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend for the financial year 2016-17 onwards are requested to lodge their claims with RTA or Company immediately. It may be noted that the Unclaimed Dividend for the financial year 2016-17 declared by the Company can be claimed by the Members by 10th October, 2024.
12. **NOMINATION:** Members can avail nomination facility in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA at the above-mentioned address. Members holding shares in electronic form may contact their respective DPs for availing this facility.
13. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Master Circular dated 7th May, 2024, has mandated that securities shall be issued only in dematerialised mode while processing duplicate/ unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form. Members are accordingly requested to get in touch with any DP having registration with SEBI to open a Demat account or alternatively, contact the RTA to seek guidance in the demat procedure.
14. **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:** In accordance with the MCA General Circular No. 20/2020 dated 5th May, 2020, MCA General Circular No. 09/2023 dated 25th September, 2023, SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 and SEBI Circular No. SEBI/HO/ DDHS/P/CIR/2023/0164 dated 6th October, 2023, the Annual Report for Financial Year 2023-24, which inter-alia comprises of the Audited Financial Statements (Standalone & Consolidated) along with the Reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2024 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/RTA or the DP(s). The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same. Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned DPs and in respect of physical holdings with the Company/RTA by following due procedure. A copy of the Notice of this AGM along with Annual Report for the FY 2023-24 is available on the website of the Company at <http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=9> (AGM Notice) and <http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=8> (Annual

Report), website of the Stock Exchange where the shares of the Company are listed i.e. BSE Limited at www.bseindia.com and on the website of RTA at www.skylinerta.com

- 15. SCRUTINISER FOR E-VOTING:** Mr. Pankaj Kumar, proprietor of M/s. Pankaj Kumar & Associates, Practicing Company Secretaries (CP No. 10148) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- 16. SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM:** For ease of conduct of AGM, Members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email ID investors@hindusthan.co.in at least 48 hours before the time fixed for the AGM i.e. by 11.00 A.M. (IST) on Saturday, 28th September, 2024, mentioning their name, demat account number/folio number, registered email ID, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.
- 17. SPEAKER REGISTRATION BEFORE AGM:** Members who would like to express their views/ask questions as a speaker at the Meeting 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@hindusthan.co.in between 24th September, 2024 (9.00 a.m. IST) and 26th September, 2024 (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 the right to restrict the number of speakers depending on the availability of time for the AGM.
- 18.** Facility of joining the AGM through VC / OAVM shall open 30 minutes before and 15 minutes after the time scheduled for AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 19.** In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended, Regulation 44 of the LODR Regulations and in terms of SEBI Circulars no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 and other applicable circulars, the Company is providing a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the National Securities Depository Limited (NSDL). For this purpose, the Company has availed the facility from National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- 20.** Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice.
- 21.** Members holding shares either in physical or dematerialized form, whose names appear in the Register of Members/list of beneficial owners, as on the cut-off date, i.e. as on 23rd September, 2024, may cast their votes electronically. The e-voting period will commence on Friday, 27th September, 2024 (9:00 A.M. IST) and will end on Sunday, 29th September, 2024 (5:00 P.M. IST). The e-voting module will be disabled by NSDL thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e. as on Monday, 23rd September, 2024. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

22. The facility for voting during the AGM will also be made available. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.
23. Any person holding shares in physical form and non-individual shareholders who acquire shares of the Company and become member of the Company after the Notice is sent and holding shares as of the cut-off date, i.e. 23rd September, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding securities in demat mode, who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date i.e. 23rd September, 2024, may follow the steps mentioned in the Notice under 'Instructions for e-voting'.
24. In compliance with the Circulars, the Annual Report 2023-24, the Notice of the 64th AGM and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
25. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Skyline Financial Services Private Limited at compliances@skylinerta.com, to receive copies of the Annual Report 2023-24 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and updating of bank account details for the receipt of dividend.
26. Additional information, pursuant to Regulation 36 of the LODR Regulations and Secretarial Standard-2, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
27. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman, after the completion of scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL and RTA, and will also be displayed on the Company's website at www.hindusthanurban.com.

Date: 10th August, 2024
Place: New Delhi

By Order of the Board of Directors
For Hindusthan Urban Infrastructure Limited
Sd/-
(M.L. Birmiwala)
President-Finance & Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3:

Mr. Deepak Kejriwal was re-appointed as the Managing Director of the Company for a period of three years with effect from 1st December, 2021 by the members of the Company at the Sixty-First Annual General Meeting of the Company held on 24th September, 2021.

The existing tenure of Mr. Deepak Kejriwal will expire on 30th November, 2024. Therefore, the Board of Directors on the recommendation of Nomination and Remuneration Committee, at its meeting held on 10th August, 2024, has approved and recommended the re-appointment of Mr. Deepak Kejriwal (DIN: 07442554) as the Managing Director of the Company in terms of the provisions of Section 196, 197, 203, Schedule V and any other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), liable to retire by rotation, with effect from 1st December, 2024 for a further term of three years on the following terms and conditions and remuneration, subject to the approval of Members in the ensuing Annual General Meeting of the Company and such other statutory approvals, if any required:

Compensation	Annual CTC Breakup (INR)
Fixed Compensation	
i. Monthly Payments	
Basic	276741
House Rent Allowance (HRA 50%)	138626
Leave Travel Allowance	21625
Conveyance Allowance (CA)	43236
Total Monthly Gross	480228
Total Annual Gross	5762735
ii. Annual Retiral Payments:	
**PF Employer Contribution	33209
**Gratuity Provision (As per Law)	14063
**Bonus (As per Law)	0
*ESI	0
Total Annual Retrial Payments (c)	567262
1. Total Fixed Annual Earning	6330000
Monthly Car Reimbursement @ 35000/- pm	420000
Variable Pay	
***Variable Pay Scheme (VPS)	750000
2. Annual Variable Pay (d)	750000
Total Annual Remuneration (1+2)	7500000

Note:

* LTA payable as per company policy.

** PF, Gratuity, Bonus & ESI applicable as per law.

***Variable Pay shall be subject to:

a) Terms & Conditions of Appointment Letter.

b) Individual & Organisational Performance for a specific calendar and based on the management discretion.”

Mr. Deepak Kejriwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given a declaration to this effect in Form DIR-8. He has given his consent to act as a Managing Director and has also confirmed that he is not debarred from holding the office of Director under the

provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable provisions, if any. He satisfies all the conditions set out in Part –I of Schedule V to the Act and also conditions set out under Section 196(3) of the Act for being eligible for appointment. Disclosures and information as required under Schedule V of the Act and Regulation 36 (3) of the SEBI Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

Mr. Deepak Kejriwal is interested in the resolution set out at Item No. 3 of the Notice with regard to his re-appointment. Relatives of Mr. Deepak Kejriwal may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

ITEM NO. 4:

Ms. Deepika Agrawal (DIN: 09395834) was appointed as an Independent Director on the Board of the Company pursuant to the provisions of section 149 of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), by the Members at the 62nd Annual General Meeting of the Company held on 27th September, 2022. She hold office as Independent Director of the Company upto 12th November, 2024 (“first term”) in line with section 149(10) and (11) of the Act.

The Nomination and Remuneration Committee at its meeting held on 10th August, 2024, on the basis of performance evaluation, has recommended to the Board, re-appointment of Ms. Deepika Agrawal as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

Ms. Deepika Agrawal possess the core skills/expertise/ competencies identified in the Companys’ business and sectors for it to function effectively. Details of the skills possessed by them are included in the Corporate Governance Report which forms a part of the Annual Report for the financial year ended 31st March, 2024.

Based on the above and on the performance evaluation, the Board considers that, given her background and experience and contributions made by her during her tenure, the continued association of Ms. Deepika Agrawal would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, the Board of Directors at its meeting held on 10th August, 2024 recommends the re-appointment of Ms. Deepika Agrawal as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company commencing from 13th November, 2024 to 12th November, 2029.

Ms. Deepika Agrawal has confirmed her eligibility in Form DIR-8 for appointment as Director of the Company under Section 164 of the Act and has given her consent in Form DIR-2 to act as a Director.

The Company has also received declaration from Ms. Deepika Agrawal that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In terms of Regulation 25(8) of the Listing Regulations, she has also confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact

her ability to discharge her duties as an Independent Director without any external influence. Further, she is neither disqualified from being appointed as a Director in terms of Section 164(1) or 164(2) of the Companies Act, 2013, nor debarred from holding the office of director under the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Her name is also registered in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs.

In the opinion of the Board, Ms. Deepika Agrawal fulfils the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ms. Deepika Agrawal is independent of the management.

She shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof as may be decided by the Board, reimbursement of expenses for participating in the Board and other Committee(s) meetings.

A copy of draft letter of appointment of Ms. Deepika Agrawal setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company during any working day between 11.00 A.M. to 1.00 P.M. upto the date of AGM and is also available on the website of the Company at www.hindusthanurban.com.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards, as on the date of Notice, are enclosed hereto.

Ms. Deepika Agrawal is interested in the resolution set out at Item No. 4 of the Notice with regard to her re-appointment. Relatives of Ms. Deepika Agrawal may be deemed to be interested in the resolution to the extent of her shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

ITEM NO. 5

The Board of Directors of the Company at its Meeting held on 10th August, 2024, on the recommendation of Nomination & Remuneration Committee ("NRC"), has approved the appointment of Mr. Shiv Shankar Aggarwal (DIN:07060407) as an Additional Director (in the capacity of Independent Director) of the Company, as per the provisions of Section 149, 161 of the Companies Act, 2013 along with other applicable provisions, if any and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 10th August, 2024 to hold office as such upto this Annual General Meeting ("AGM"). Further, Board of Directors has recommended the appointment of Mr. Shiv Shankar Aggarwal as an Independent Director, not liable to retire by rotation, for a term of five consecutive years commencing from 10th August, 2024 upto 9th August, 2029, for approval of the Members of the Company. While considering the appointment of Mr. Shiv Shankar Aggarwal, NRC considered and noted the upcoming retirement/expiry of tenure of existing independent director i.e. Mr. Sadhu Ram Bansal (DIN: 06471984), whose tenure is due to cease on 12th August, 2024 upon completion of his second term as an Independent Director.

The Board deliberates on various factors including current tenure of board members, anticipated vacancies in key board positions, skill matrix, diversity, time-commitment and statutory requirements etc.

The NRC had identified skills, expertise and competencies required by the Board for the effective functioning of the Company. The process of shortlisting and selection of the new Independent Director

was carried out and concluded by NRC members who were Independent Directors and not considered interested in such proposal. After considering qualifications, skillsets, experience, independence, knowledge, ability to devote sufficient time, the NRC selected and recommended to the Board, the appointment of Mr. Shiv Shankar Aggarwal as Independent Director of the Company.

The appointment of Mr. Shiv Shankar Aggarwal has been made by the Board to ensure smooth transition in key board positions. In the opinion of the Board, Mr. Shiv Shankar Aggarwal fulfils the conditions specified in the Companies Act, 2013 (the "Act"), rules made thereunder and SEBI (Listing obligations and disclosure requirements) Regulations 2015 ("Listing Regulations") for appointment as Independent Director of the Company and is independent of management of the Company.

He has confirmed his eligibility in Form DIR-8 for appointment as a Director of the Company under Section 164 of the Act and has given consent in Form DIR-2 to act as Independent Director. The Company has also received declaration from him confirming that he meets the criteria of independence as provided in Section 149(6) of the Act, rules made thereunder and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, he has also 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 as an Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164(1) or 164(2) of the Companies Act, 2013, nor debarred from holding the office of director under the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). His name is also registered in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs.

In terms of Section 160 of the Act, the Company has received a notice in writing from a member proposing his candidature to be appointed as Independent Director.

He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof as may be decided by the Board, reimbursement of expenses for participating in the Board and other Committee(s) meetings.

Therefore, in terms of Section 149, 150 and 152 read with Schedule IV and any other applicable provisions, if any of the Act and rules made thereunder and the Listing Regulations, it is proposed that Mr. Shiv Shankar Aggarwal be appointed as Independent Director for a term of five consecutive years i.e. from 10th August, 2024 upto 9th August, 2029. The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards, as on the date of Notice, are enclosed hereto. A copy of the draft Letter of Appointment for Mr. Shiv Shanker Aggarwal, setting out terms and conditions of his appointment, is available for inspection by the Members at the Registered Office of the Company during any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and is also available on the website of the Company at www.hindusthanurban.com.

Mr. Shiv Shankar Aggarwal is interested in the resolution set out at item no.5. Further, his relatives are also deemed to be interested in the respective resolutions, to the extent of their shareholding in the Company, if any. Save and except the above, none of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board recommends the Special Resolution set out at item no.5 of the Notice for approval of the Members.

ITEM NO.6

As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company at the general meeting. The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. J.K. Kabra & Co., Cost Accountants (Firm Registration No. 000009), as Cost Auditors to conduct

the audit of the cost records of the Company, for the financial year ending 31st March, 2025, at a remuneration of Rs. 35,000/- (Rupees Thirty Five Thousand Only) per annum exclusive of out of pocket expenses incurred during the course of audit for visit to Company's work plus applicable taxes. Approval of the members is being sought for the proposal contained in the resolution set out at item no. 6 of this notice. None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board recommends the Ordinary Resolution set out at item no. 6 of this Notice, for approval of the members.

Additional information on directors recommended for appointment / reappointment as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2

Name of the Director	Mr. Shyam Sunder Bhuwania	Mr. Deepak Kejriwal	Ms. Deepika Agrawal	Mr. Shiv Shanker Aggarwal
Directors Identification Number (DIN)	00107171	07442554	09395834	07060407
Date of Birth	6 th April, 1944	3 rd August, 1966	16 th September, 1988	20 th July, 1966
Original date of appointment on the Board	4 th February, 1975	31 st August, 2017	13 th November, 2021	10 th August, 2024
Qualifications	Fellow Member of the Institute of Chartered Accountants of India (ICAI) and a Law Graduate	Bachelor degree in Commerce and a Fellow Member of the Institute of Chartered Accountants of India (ICAI)	<ul style="list-style-type: none"> • B. Com (Hons.), Hansraj College, University of Delhi • Fellow member of the Institute of Chartered Accountants of India (ICAI) 	<ul style="list-style-type: none"> • Bachelor of Commerce, Rajasthan University, Jaipur • Master of Commerce (M. Com), Rajasthan University, Ajmer • Fellow member of the Institute of Chartered Accountants of India (ICAI)
Brief resume of the Director	Over 54 years of rich experience, Mr. Shyam Sunder Bhuwania had worked with this company for more than 50 years. Presently he is working in the capacity of adviser in the company.	Mr. Deepak Kejriwal is a Managing Director of the Company. He is looking after overall finance and operations of the Company. He joined the Company in 2003 and has held a number of senior roles within the Company.	Ms. Deepika Agrawal is a Commerce Graduate, a Fellow member of the Institute of Chartered Accountants of India (ICAI) and a Fellow member of the Institute of Company Secretaries of India (ICSI). She has done certificate courses on Information systems audit, Concurrent audit of banks, Forensic Accounting and Fraud Detection, Indirect Taxation. She is an expert in covering all aspects from start-up business, to financial management and company closures She has long and varied experience of more than 12 years in the field of Statutory Audit, Taxation, Information system Audits and Bank Audits. Proficient in computation corporate, individual and taxes, corporate organizations, surplus distribution etc.	Mr. Mr. Shiv Shanker Aggarwal is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) with knowledge of financial reporting and accounting processes. He is having an experience of 34 years and is an expert in covering all aspects from start-up business, to financial management and company closures. He has done B Com. from Rajasthan University, Jaipur and M Com. from Rajasthan University, Ajmer. He is proficient in computation corporate, individual and taxes, corporate organizations, surplus distribution etc. and highly skilled in finding solution and

				best alternatives to tax issues.
Nature of expertise in specific functional area	<ul style="list-style-type: none"> » Strategic Leadership and management experience » Research & Education » Industry and sector experience 	<ul style="list-style-type: none"> » Financial Management » Operations Management 	<ul style="list-style-type: none"> » Accounting and Auditing- Conducting Bank Audits, Statutory audit, internal audits and business process audits of various companies; » Advisory services on Direct and Indirect taxation and corporate law matters; » Trainer for Advance Excel and GST Compliances; » Financial and Risk Management 	<ul style="list-style-type: none"> » Accounting and Auditing- Conducting Statutory audits, internal audits and business process audits of an extensive range of clients including manufacturing industries, trading and service providing companies; » Advisory services on Direct and Indirect taxation and corporate law matters; » Financial and Risk Management
Remuneration drawn during FY 2023-24	He was paid Advisory fee of Rs. 1 Lakh per month.	As mentioned in the Corporate Governance Report which forms part of the Annual Report for the FY 2023-24	Sitting fees was paid to Ms. Deepika Agrawal for attending the Meetings of the Board of Directors and Committees thereof.	Not Applicable
Number of Meetings of Board attended during FY 2023-24	4	4	4	Not Applicable
Shareholding including shareholding as a beneficial owner	70 Equity shares	05 Equity shares	NIL	NIL
Terms and conditions of appointment/re-appointment along with remuneration details	Liable to retire by rotation.	Approval of members has been sought for his re-appointment as Managing Director of the Company for three years with effect from 1 st December, 2024 to 30 th November, 2027 at a remuneration as set out in the	Approval of members has been sought for her re-appointment as an Independent Director of the Company for five consecutive years with effect from 13 th November, 2024 to 12 th November, 2029. Ms. Deepika Agrawal would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof	Approval of members is sought for his appointment as an Independent Director of the Company for five consecutive years with effect from 10 th August, 2024 to 9 th August, 2029. Mr. Shiv Shanker Aggarwal would be entitled to sitting

		resolution at Item No. 3 of this Notice.	along with reimbursement of expenses for participating in the Board and other Committee(s) meetings.	fees for attending the Meetings of the Board of Directors and Committees thereof along with reimbursement of expenses for participating in the Board and other Committee(s) meetings.						
Relationship between Directors inter-se and with other key managerial personnel of the company	None	None	None	None						
Directorships held in other companies	Hindusthan Speciality Chemicals Limited	Hindusthan Speciality Chemicals Limited	Pradyumna Steels Limited Hindusthan Speciality Chemicals Limited Carbo Industrial Holdings Limited Foster Engineering & Industries Limited Hindusthan Business Corporation Limited	None						
Membership/ Chairmanship of committees in other companies * For the said purpose, only Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee has been considered	None	None	<table border="1"> <thead> <tr> <th>Name of the Company</th> <th>Membership/ Chairmanship</th> </tr> </thead> <tbody> <tr> <td>Pradyumna Steels Limited</td> <td>Chairperson of Audit Committee and Nomination & Remuneration Committee</td> </tr> <tr> <td>Hindusthan Speciality Chemicals Limited</td> <td>Member of Audit Committee and Nomination & Remuneration Committee</td> </tr> </tbody> </table>	Name of the Company	Membership/ Chairmanship	Pradyumna Steels Limited	Chairperson of Audit Committee and Nomination & Remuneration Committee	Hindusthan Speciality Chemicals Limited	Member of Audit Committee and Nomination & Remuneration Committee	None
Name of the Company	Membership/ Chairmanship									
Pradyumna Steels Limited	Chairperson of Audit Committee and Nomination & Remuneration Committee									
Hindusthan Speciality Chemicals Limited	Member of Audit Committee and Nomination & Remuneration Committee									
Listed entities from which the person	None	None	None	None						

has resigned in the past three years				
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements and justification for choosing the appointee for appointment as Independent Director	Not Applicable	Not Applicable	As per the resolution at Item no. 4 of this Notice, read with the explanatory statement thereto.	As per the resolution at Item no. 5 of this Notice, read with the explanatory statement thereto.

The statement containing additional information as required under Section-II of Part – II of Schedule-V of the Act:

I. General Information

1.	Nature of Industry	Manufacturing of Electrical Equipments			
2.	Year of commencement of commercial production	1960			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.			
4.	Financial performance based on given indicators.	Amount (In lakhs)			
		Standalone		Consolidated	
	Financial Parameters	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
	Sales	22499.03	21511.26	51762.66	57724.59
	Profit/(Loss) before depreciation	97.50	(431.09)	(2693.03)	(5236.95)
	Depreciation	1145.52	1148.76	2819.64	2745.95
	Profit/(Loss) after depreciation, but before provision for tax & exceptional item	(1048.02)	(1579.85)	(5512.67)	(7982.90)
	Net Profit/(Loss)	(294.33)	(1057.97)	(3579.31)	(5806.80)
	EPS	(20.40)	(73.32)	(153.54)	(265.88)

5. Foreign investments or collaborations, if any: None

II. Information about appointee

S.N.	Particulars	Mr. Deepak Kejriwal
1.	Background Details	Please refer to the Additional information on directors which forms part of this Notice.
2.	Past Remuneration	As mentioned in Corporate Governance Report which forms part of the Annual Report for the FY 2023-24
3.	Recognition or Awards	None
4.	Job-profile and his suitability	Responsible for overall business management and operation of the Company.
5.	Remuneration proposed	Rs. 75 Lakhs per annum
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).	The remuneration of the appointee Mr. Deepak Kejriwal is fully justifiable and comparable to the prevailing remuneration being paid in the industry, keeping in view his profile, enriched knowledge and vast experience besides position of the appointee.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel or other director, if any.	No relation with any director or KMP of the Company.

III. Other Information

1.	Reasons of loss or inadequate profits.	Company having an Operating Profit Before Depreciation, Finance Cost, Exceptional Items and Tax is Rs 2079.60 Lakhs. Due to finance cost of Rs 1982.10 Lakhs & Depreciation of Rs 1145.52 Lakhs company having a loss of Rs 1048.02 Lakhs.
2.	Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measurable terms.	<p>The company management is continuously focused on reducing the rejection rate in our production process, a common challenge in the insulator manufacturing industry. For the fiscal year 2023-24, our total rejection percentage stands at 18%, which represents a decrease of 1.08% compared to the previous year's rejection rate of 19.08%. For the current financial year, we have set a goal to further reduce the rejection rate by an additional 1%.</p> <p>Company will be planning to use Clean Energy up to 60% of total power consumed and it will save power & fuel cost by Rs 2.38 Crores per annum as compared to financial year ended on 31.03.2024 under which it had used Clean Energy of 35.84% of total power consumed due to that company had saved Rs 67.09Lakhs.</p> <p>Company has introduced its newly developed product i.e. Porcelain Longrod Insulator in the market, for which the company has already got the approval from 2 of the prominent utilities viz. MSETCL and OPTCL. Direct orders have also been taken from both of the above Utilities as well as from some of the EPC's. Approval process with other Utilities is also underway, which would further add to the business volumes. Due to this company will be expecting additional volume of 250 MT per month (i.e. 3000 Ton per annum) having an addition of net income of Rs 4.50 Crores per annum.</p> <p>Apart from the above, the company has successfully developed 765 KV 31 mm/KV Solid Core Post Insulators and also taken up the development of 210 KN & 320 KN Porcelain Disc Insulators. Last but not the least, the company has also increased its focus on developing the overseas markets, especially the US market for TR Series Solid Core Insulators. These activities would add to an additional volume of approx. 200 - 250 MT per month (2400 - 3000 MT per annum).</p>

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Friday, 27th September, 2024 at 9:00 A.M. and ends on Sunday, 29th September, 2024 at 5:00 P.M. 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. Monday, 23rd September, 2024, 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 Monday, 23rd September, 2024.

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 and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new

screen will open. You will have to enter your User ID (i.e. your sixteen 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 **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home

	<p>page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility, upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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 evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who

are authorized to vote, to the Scrutinizer by e-mail to fcspankaj@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. 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.nsdl.com to reset the password.
3. 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.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com

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

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

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 EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN 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. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@hindusthan.co.in . The same will be replied by the company suitably.
6. Members will get confirmation on first cum first basis depending upon the provision made by the client. Members will receive “speaking serial number” once they mark attendance for the meeting.
8. Other shareholder may ask questions to the panelist, via active chat-board, if provided, during the meeting.
9. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

ANNUAL REPORT 2023-2024



HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

(An enterprise of THE HINDUSTHAN GROUP)



HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

DIRECTORS

Mr. Raghavendra Anant Mody	Chairman & Whole-time Director
Mr. Deepak Kejriwal	Managing Director
Mr. Shyam Sunder Bhuwania	Non-Executive, Non-Independent Director
Mr. Sadhu Ram Bansal	Independent Director
Mr. Ratan Lal Nangalia	Independent Director
Ms. Deepika Agrawal	Independent Director

KEY MANAGERIAL PERSONNEL (KMP)

Mr. M.L. Birmiwala	President - Finance & Secretary
Mr. Vishal Pachisia	Chief Financial Officer

STATUTORY AUDITORS

M/s. K.N. Gutgutia & Co.,
Chartered Accountants

BANKERS

Canara Bank
State Bank of India
IDBI Bank

REGISTERED OFFICE

'Kanchenjunga' (7th Floor),
18, Barakhamba Road,
New Delhi-110001

WORKS

Bhubaneswar	(Odisha)
Gwalior	(Madhya Pradesh)
Mandideep-Insulator Division	(Madhya Pradesh)

LISTING OF EQUITY SHARES

BSE Limited

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area,
Phase -1, New Delhi - 110 020

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BOARDS' REPORT

Dear Members,

The Board of Directors hereby submits the 64th Annual Report of your Company ("the Company" or "Hindusthan Urban Infrastructure Limited"), along with the Audited Financial statements for the financial year ended 31st March, 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the financial year ended 31st March, 2024 is summarized below:

(₹ in Lakhs)

Particulars	Standalone Results		Consolidated Results	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Total Revenue (Gross)	23351.85	22159.02	52825.73	58463.18
Operating Profit Before Depreciation, Finance Cost, Exceptional Items and Tax	2079.60	1557.03	1502.21	(1215.31)
Less: Depreciation and Amortisation expenses	1145.52	1148.76	2819.64	2745.95
Less: Finance Costs	1982.10	1988.12	4195.25	4021.63
Profit/(Loss) before exceptional items and tax	(1048.02)	(1579.85)	(5512.67)	(7982.90)
Exceptional Items	-	-	-	-
Profit/(Loss) before Tax	(1048.02)	(1579.85)	(5512.67)	(7982.90)
Less: Tax expenses	(753.70)	(521.88)	(1933.36)	(2176.10)
Net Profit/(Loss) for the year	(294.33)	(1057.97)	(3579.31)	(5806.79)
Surplus brought forward from previous year	(967.13)	90.84	(10181.56)	(4374.76)
Dividend on Equity paid	-	-	-	-
Tax on Dividend	-	-	-	-
Ind-AS adjustments on Deferred Tax & Others	-	-	-	-
Balance available for appropriation	(1261.46)	(967.13)	(13760.87)	(10181.56)

STATE OF AFFAIRS & OPERATIONS

During the year under review, the gross revenue from operations on standalone basis of the company has increased to ₹ 23351.85 Lakhs as compared to ₹ 22159.02 Lakhs in the previous year 2022-23. The Company has achieved Profit before depreciation and tax of ₹ 97.50 Lakhs as compared to loss before depreciation and tax of ₹ (431.09) Lakhs in the previous year 2022-23.

During the year, the Company had successfully executed export /deemed export orders of ₹ 1511.16 Lakhs as compared to previous year of ₹ 1549.69 Lakhs.

CONSOLIDATED FINANCIALS

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with the Companies Act, 2013 and applicable Accounting Standards along with the Auditors' Report form part of this Annual Report.

In the financial year 2023-24, income from operations was ₹ 52825.73 Lakhs as compared to ₹ 58463.18 Lakhs in the previous year 2022-23. The loss before depreciation and tax has declined to ₹ (2693.03) Lakhs as compared to loss before depreciation and tax of ₹ (5236.95) Lakhs in the previous year.

During the year under review, the gross revenue of the subsidiary company Hindusthan Speciality Chemicals Limited has declined to ₹ 29507.77 Lakhs as compared to ₹ 36306.22 Lakhs in the previous financial year 2022-23, a decrease of 18.72 %.

The Loss after tax for the financial year 2023-24 is ₹ (3284.99) Lakhs as compared to the loss of ₹ (4748.36) Lakhs in the previous financial year 2022-23.

OUTLOOK

India is set to be the second-fastest growing economy in the G20 in FY 2023-24, despite decelerating global demand and the tightening of monetary policy to manage inflationary pressures. GDP growth will be around 7% in FY 2024-25, we expect that both Domestic & Export market will be explored in a better way. We believe that improved global conditions and stable Government, GDP growth rate will further improve and it will improve the industry performance.

BOARDS' REPORT (Contd.)

TRANSFER TO RESERVES

The Company do not propose to transfer any amount to general reserve for the financial year ended 31st March, 2024.

DIVIDEND

The Board of Directors do not recommend any dividend for the financial year 2023-24.

SUBSIDIARY COMPANIES

The Company has one material subsidiary company namely Hindusthan Speciality Chemicals Limited (HSCL).

HSCL is manufacturing various grades of Epoxy Resins and selling the same in HSCL's brand name. HSCL has during the year under report plant capacity of 34,700 M.T. P.A. LER/SER/Formulations/Hardeners/Bond One and Reactive Diluents.

HSCL's LER and SER processes are now fully automated and running on Distributed Control System with adequate interlocks for improved safety during manufacturing.

HSCL has increased the capacity of Reactive Diluents through modification in existing line, which will result in increase in product portfolio of Reactive Diluents

Efforts are on for the reduction of waste polymer generated during the processing of LER. Company is exploring further ways to reduce cost by initiating various activities and have started recycling of water in the process to bring down the load on effluent and savings in water consumption.

HSCL has developed number of products in-house research and Development Laboratory and commercialized the same which are well accepted by the customers. Maximum emphasis is being given to increase the production and marketing of Speciality Products for Electrical, Composite, Civil and Adhesive segment.

HSCL has commenced the manufacturing of Bond One range of products and it has been very well accepted by the market for retail development Pan India.

A statement containing the salient features of financial statements of the subsidiary Company in the prescribed **Form AOC – 1** forms a part of the Consolidated Financial Statements (CFS) in compliance with Section 129 (3) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 5 of the Companies (Accounts) Rules, 2014.

The said Form also highlights the financial performance of the subsidiary included in the Consolidated Financial Statements of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The Audited Financial Statements including the Consolidated Financial Statements and all other documents required to be attached to this report have been uploaded on the website of the Company at www.hindusthanurban.com.

The Policy for determining material subsidiaries is also available on the website of the company at www.hindusthanurban.com.

CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), a cash flow statement is part of the Annual Report 2023-2024. Further, the Consolidated Financial Statements of the Company for the financial year 2023-2024 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and provisions as prescribed by Listing Regulations. The said Financial Statements have been prepared on the basis of the Audited Financial Statements of the Company, its subsidiary as approved by their Board of Directors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios and developments in business operations / performance of your Company's and its subsidiaries' business.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of corporate governance. We believe in adherence to good corporate practices, implement policies and guidelines and develop a culture of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters to enhance and retain investor trust, long-term shareholder value and respect minority rights in all our business decisions.

BOARDS' REPORT (Contd.)

As per Regulation 34 of the Listing Regulations, the Corporate Governance Report along with the requisite certificate received from the statutory auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the Listing Regulations forms a part of the Annual Report.

CHANGE IN NATURE OF BUSINESS, IF ANY.

There was no change in the nature of business of the company during the financial year ended 31st March, 2024.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors of your Company hereby state and confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards have been followed;
- b) The selected accounting policies have been applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) Proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Internal Financial Controls laid down in the company are adequate and were operating effectively;
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2024, the Board comprised of six Directors including one woman Director. The Board has an appropriate mix of Executive Directors ('EDs'), Non-Executive Directors ('NEDs') and Independent Directors ('ID'), which is compliant with the Companies Act, 2013, the SEBI Listing Regulations, 2015 and is also aligned with the best practices of Corporate Governance.

CHANGES IN BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year 2023-24, Mr. Annuj Khandelwal resigned from the position of Chief Financial Officer under the category of Key Managerial Personnel of the Company with effect from 28th May, 2023. The Board placed on record its appreciation for the valuable services rendered by him during his tenure as the Chief Financial Officer of the Company.

Further, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee of the Company, has approved the appointment of Mr. Vishal Pachisia as the Chief Financial Officer under the category of Key Managerial Personnel of the Company at its meeting held on 28th May, 2023 with immediate effect.

On the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Raghavendra Anant Mody (DIN:03158072) was re-appointed as the Chairman & Whole-time Director of the Company by the members at their Sixty-third Annual General Meeting held on 30th September, 2023 for a period of three years with effect from 3rd October, 2023.

The second tenure of Mr. Mool Chand Gauba (DIN: 02942664) as an Independent Director of the Company expired/ceased on 20th September, 2023. The Board of Directors placed on record its appreciation for the valuable contribution, dedicated efforts and guidance provided by him during his long tenure as an Independent Director of the Company.

The Board of Directors in its meeting dated 10th August, 2023, on the recommendation of Nomination & Remuneration Committee, has approved the appointment of Mr. Ratan Lal Nangalia (DIN: 07268034) as an Additional Director (in the capacity of Independent Director) of the Company with immediate effect, not liable to retire by rotation, who held the office as such upto Sixty-third Annual General Meeting. Further, on the recommendation of the Board of Directors, he was appointed as an Independent Director of the Company by the members at their Sixty-third Annual General Meeting held on 30th September, 2023, not liable to retire by rotation, for a term of five consecutive years i.e. from 10th August, 2023 upto 9th August, 2028. In the opinion of the Board, Mr. Ratan Lal Nangalia possess requisite expertise and experience, integrity and proficiency for appointment as an Independent Director and is in compliance with the provisions of Section 150 of the Companies Act, 2013.

Your company is in full compliance of the Listing Regulations and the Act with regard to the composition of Board of Directors.

RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013, Mr. Shyam Sunder Bhuwania (DIN: 00107171) is liable to retire by rotation at the Sixty-Fourth Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment as Director.

BOARDS' REPORT (Contd.)

KEY MANAGERIAL PERSONNEL

As on 31st March, 2024, the Company has following Key Managerial Personnel in compliance with the provisions of Section 203 of the Act.

Mr. Raghavendra Anant Mody	-	Chairman & Whole-time Director
Mr. Deepak Kejriwal	-	Managing Director
Mr. Murari Lal Birmiwala	-	President-Finance & Secretary
Mr. Vishal Pachisia	-	Chief Financial Officer

MEETINGS OF THE BOARD

The meetings of the Board are held at regular intervals to discuss and decide on matters of business performance, policies, strategies and other matters of significance. The agenda of the meetings is circulated in advance, to ensure proper planning and effective participation. In certain exigencies, decisions of the Board are also accorded through circulation.

During the financial year 2023-24, the Board met four times. For further details, please refer to the report on Corporate Governance of this Annual Report. The quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. Detailed information regarding the meetings of the Board is included in the report on Corporate Governance, which forms a part of the Annual Report.

The details of meetings held and Director's attendance, training and familiarisation programme and Annual Board Evaluation process for Directors, policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director and also remuneration for Key Managerial Personnel and other employees, composition of Audit Committee, establishment of Vigil Mechanism for Directors and employees, form a part of the Corporate Governance Report of this Annual Report.

COMMITTEES OF THE BOARD

Currently, the Company has five Board level Committees: Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC"), Stakeholders' Relationship Committee ("SRC"), Corporate Social Responsibility Committee ("CSR") and Share Transfer Committee.

Additionally, the Company has also constituted the Borrowing Committee and Investment & Guarantee Committee.

Detailed information regarding the Committees of the Board is included in the report on Corporate Governance, which forms a part of the Annual Report.

DECLARATION FROM THE INDEPENDENT DIRECTORS

The Company has three Non-executive, Independent Directors namely Mr. Sadhu Ram Bansal, Mr. Ratan Lal Nangalia and Ms. Deepika Agrawal. In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold highest standards of integrity required to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management.

The Company has, inter alia, received the following declarations from all the Independent Directors pursuant to the provisions of Section 149 (7) of the Companies Act, 2013 read with the Rules made thereunder and Regulation 25(8) of the Listing Regulations confirming that:

- they meet the criteria of independence as prescribed under Section 149 (6) of the Act read with the Rules made thereunder and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

AUDIT & AUDITORS

(i) STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Act read with the Companies (Audit & Auditors) Rules, 2014, M/s. K.N. Gutgutia & Co., Chartered Accountants (Firm Registration No. 304153E) were re-appointed as Statutory Auditors of the Company at the 62nd AGM of the Company held on 27th September, 2022, for a second term of five consecutive years from the financial year 2022-23 onwards to hold the office till the conclusion of 67th AGM of the Company. The Report given by K.N. Gutgutia & Co., Chartered Accountants, on the financial statements of the Company for the FY 2023-24 is a part of this Annual Report.

BOARDS' REPORT (Contd.)

K.N. Gutgutia & Co., Chartered Accountants, Statutory Auditors, have issued an unmodified opinion on the financial statements of the Company. There are no qualifications, reservations or adverse remarks or disclaimer made by the Auditors, in their report for the financial year ended 31st March, 2024. Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any instance of fraud during the year under review. The Auditors' Report, read with the relevant notes to accounts are self-explanatory and therefore does not require further explanation.

As required by Schedule V of the Listing Regulations, the Auditor's Certificate on Corporate Governance received from K.N. Gutgutia & Co., Chartered Accountants is annexed to the Report on Corporate Governance forming part of this Annual Report.

(ii) COST RECORDS AND COST AUDIT

In terms of provisions of Section 148 of the Act read with the Companies (Accounts) Rules, 2014, the Company is required to maintain the Cost records and undergo Cost Audit. As per the requirements of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records. The Board, at its meeting held on 10th August, 2023, based on the recommendation of the Audit Committee, had appointed M/s. J.K. Kabra & Co., Cost Accountants (Firm Registration No. 000009) to conduct Cost Audit for the FY 2023-24.

M/s J.K. Kabra & Co., Cost Accountants (Firm Registration No. 000009) have carried out the Cost Audit. The Cost Audit Report for the financial year 2023-24 does not contain any qualification, reservation, or adverse remark. During the year under review, the Cost Auditor has not reported any fraud under Section 143(12) of the Act.

Further, the Board of Directors of the Company, based on the recommendation made by the Audit Committee, have re-appointed M/s J.K. Kabra & Co., Cost Accountants (Firm Registration No. 000009) as Cost Auditors to conduct the cost audit of the Company for the FY 2024-25. M/s J.K. Kabra & Co., Cost Accountants, being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2024-25 and have confirmed that they are not disqualified under Section 148 of the Companies Act, 2013 to be appointed as such. Appropriate resolution for ratification of the proposed remuneration payable to M/s J.K. Kabra & Co., Cost Accountants, to conduct the audit of cost records of the Company for the financial year ending 31st March 2025, is being placed for the approval of the members of the Company at the ensuing AGM.

(iii) SECRETARIAL AUDITORS

In terms of the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, at its Meeting held on 10th August, 2023 had, on the recommendation of the Audit Committee, appointed Mr. Pankaj Kumar, proprietor of M/s. Pankaj Kumar & Associates, Company Secretaries (COP No.:10148) to conduct the Secretarial Audit for the FY 2023-24.

The Secretarial Audit Report of the Company and its material subsidiary, Hindusthan Speciality Chemicals Limited, received from Mr. Pankaj Kumar, proprietor of M/s. Pankaj Kumar & Associates, Company Secretaries, for the financial year 2023-24 pursuant to Section 204 of the Act read with Rules made thereunder and Regulation 24A of the Listing Regulations, forms a part of this Annual Report and is annexed as **Annexure-I** to the Board's Report. The Secretarial Audit Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark. During the year under review, the Secretarial Auditor has not reported any instance of fraud under Section 143(12) of the Act.

The Board of Directors of the Company, based on the recommendation made by the Audit Committee, has re-appointed Mr. Pankaj Kumar, proprietor of M/s. Pankaj Kumar & Associates, Company Secretaries (COP No.:10148), as the Secretarial Auditors to conduct an audit of the secretarial records for the financial year 2024-25, based on the confirmation of the eligibility and consent received from Mr. Pankaj Kumar, proprietor of M/s. Pankaj Kumar & Associates. The Secretarial Auditor has confirmed that he is not disqualified to be appointed as such.

(iv) INTERNAL AUDITORS

The Board of Directors of the Company, based on the recommendation made by the Audit Committee, at its meeting held on 10th August, 2023, had engaged M/s. Arun Tulsian & Associates, Chartered Accountants as the Internal Auditors to conduct internal audit for the year 2023-24. The Board of your Company has laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. The internal audit helps the company to review the operational efficiency and assessing the internal controls. It also reviews the safeguarding of assets of the Company.

The Board of Directors of the Company, based on the recommendation made by the Audit Committee, has appointed M/s. NSBP & Co., Chartered Accountants (FRN No. 001075N) as Internal Auditors of the Company to conduct the Internal Audit for the financial year 2024-25.

BOARDS' REPORT (Contd.)

REPORTING OF FRAUDS BY AUDITORS

During the year under review, none of the Auditors have reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee/Board under section 143(12) of the Act.

SHARE CAPITAL

The Authorised share Capital of the Company is ₹ 100,00,00,000 divided into 25,00,000 equity shares of ₹ 10 each and 9,75,00,000 preference shares of ₹ 10 each. The paid up Share Capital as on 31st March, 2024 stood ₹ 96,63,25,850 consisting of Equity Share Capital of ₹ 1,44,28,850/- Lakhs and Preference Share Capital of ₹ 95,18,97,000/-

During the year, the company has not issued any share capital with differential voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

MATERIAL CHANGES AND COMMITMENTS

Following material changes or commitments have occurred between the end of the financial year to which the financial statements relate and the date of this report, affecting the financial position or business operations of the Company:

- The Company has entered into a 'Memorandum of Understanding' (MOU) duly executed and signed on 12th March, 2024 with Nirmal Wires Private Limited, a company incorporated under the provisions of Companies Act, 1956 and having its Registered office at Kolkata, West Bengal, for the sale of the Company's land, building, plant and machineries and other assets located at Plot No.: 321, 325/1386, Village- Champajhara, P.O. - Malipada, District-Khurda, Odisha – 752018, for a consideration of ₹ 72,51,00,000/- (Rupees Seventy Two Crores Fifty-one Lacs Only), on the basis of authority accorded by the Board of Directors of the Company on 8th March, 2024.

Pursuant to the aforesaid MOU, the Company has disposed off/sold its land, building, plant and machineries and other assets at Khurda plant.

- The rising oil production and exploration activities are primarily driving the demand for the oilfield chemicals market. As per the report by analysts, the global Oilfield Chemicals Market size was valued at USD 29.09 billion in 2022 and is projected to reach USD 39.68 billion by 2030, growing at a CAGR of 4.05% from 2023 to 2030. The Board of Directors was apprised that it is proposed to commence new business line by the Company focused on the manufacturing of all kinds of oil field and related chemicals.

Considering the projected increase in demand of oilfield chemicals, the Board of Directors of the Company in its meeting held on 28th May, 2024 has approved the diversification of business operations by commencing a new business line focused on the manufacturing of all kinds of oil field and related chemicals. A report on the Business Feasibility is being prepared in this regard.

Based on the findings of the Business Feasibility Report, the diversification will be undertaken.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and the Listing Regulations, the Board has carried out a formal annual evaluation of its own performance, those of all the directors individually including the Independent Directors, Chairman of the Board and of various committees. The Company deploys 'questionnaire' as a methodology for carrying out the performance evaluation of the Board, Committees and Individual Directors.

The performance of all the directors was evaluated on parameters such as number of meetings attended, contribution in the growth and formulating the strategy of the Company, independence of judgement, safeguarding the interest of the Company and minority shareholders, time devoted apart from attending the meetings of the Company, active participation in long term strategic planning, ability to contribute by introducing best practices to address business challenges and risk etc. The directors expressed their satisfaction with the evaluation process. As part of the outcome of the Performance Evaluation exercise, it was noted that the Board is independent, operates at a high level of Governance Standards and is committed to creating value for all stakeholders.

INDEPENDENT DIRECTORS

The Independent Directors met on 13th February, 2024 to review the performance evaluation of Non-Independent Directors and the entire Board of Directors, including the Chairman, while considering the views of the Executive and Non-Executive Directors.

The Independent Directors were satisfied with the overall functioning of the Board and its various committees, which displayed a high level of commitment and engagement. They also appreciated the exemplary leadership of the Chairman of the Board and its committees in upholding and following the highest values and standards of corporate governance.

DIRECTORS' APPOINTMENT AND REMUNERATION

Appointment of Directors on the Board of the Company is based on the recommendations of the Nomination and Remuneration Committee. The Committee identifies and recommends to the Board, persons for appointment thereon, after considering the necessary and desirable competencies. The committee takes into account positive attributes like integrity, maturity, judgement,

BOARDS' REPORT (Contd.)

leadership position, time and willingness, financial acumen, management experience and knowledge in one or more fields of finance, law, management, marketing, administration, research, etc.

In case of Independent Directors (IDs), they should fulfill the criteria of independence as per the Act and Regulation 16(1) (b) of the Listing Regulations in addition to the general criteria stated above. It is ensured that a person to be appointed as director has not suffered any disqualification under the Act or any other law to hold such an office.

The Directors of the Company are paid remuneration as per the Remuneration Policy of the Company. The details of remuneration paid to the directors during the year 2023-24 are given in Form MGT-7 and the same will be made available on the website of the Company at www.hindusthanurban.com.

REMUNERATION POLICY

The Company has a Remuneration Policy relating to remuneration of the Directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

The Nomination & Remuneration Policy of the Company is available on the website of the company at www.hindusthanurban.com.

BOARD DIVERSITY

Adequate diversity on the Board is essential to meet the challenges of business globalisation, rapid deployment of technology, greater social responsibility, increasing emphasis on corporate governance and enhanced need for risk management. The Board enables efficient functioning through differences in perspective and skill, and fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical backgrounds. The Board recognises the importance of a diverse composition and has adopted a policy on Diversity of Board which sets out its approach to diversity. The policy is available at the website of the Company at www.hindusthanurban.com.

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

Information required under section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 is given in the **Annexure-II** to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company which was duly approved by the Board. CSR Committee of the Board has developed a CSR Policy which is duly reviewed from time to time.

A detailed report regarding Corporate Social Responsibility as per the Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as **Annexure-III** to the Boards' report.

Additionally, the CSR Policy is available on the website of the company at www.hindusthanurban.com.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for proper maintaining of the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal controls and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

VIGIL MECHANISM

Pursuant to the provisions of section 177 (10) of the Act, Regulation 22 of the Listing Regulations and Regulation 9A of the SEBI(Prohibition of Insider Trading) Regulations, 2015, a Vigil Mechanism for directors, employees and other stakeholders of the Company to report genuine concerns has been established. The Whistle Blower Policy is available on the website of the company at www.hindusthanurban.com.

During the year under review, no complaint was received under the Whistle Blower mechanism.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and the Listing Regulations, your Company has formulated a Policy on Materiality of Related Party Transaction (RPT) & on Dealing with RPT which is also available on the Company's website at www.hindusthanurban.com.

All related party transactions that were entered into during the financial year 2023-24, were on an arm's length basis and in the ordinary course of business.

BOARDS' REPORT (Contd.)

There are no material related party transactions made by the company during the year that required shareholders' approval under Section 188 of the Act.

All the Related Party Transactions and subsequent material modifications, if any, are placed before the Audit Committee on quarterly basis for its review and approval and are in accordance with the Policy on dealing with and Materiality of Related Party Transactions, formulated by the Company. Prior omnibus approval is obtained for RPTs on yearly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length.

The details of the transactions with related parties during the financial year 2023-24 are provided in the accompanying financial statements.

During the year under review, your Company has not entered into Material RPTs under Regulation 23 of the SEBI (LODR) Regulations, 2015 or as per the provisions of the Companies Act, 2013. The disclosure of RPTs as required under Section 134(3)(h) of the Act, in Form AOC-2 forms a part of this report and is annexed as **Annexure-V** to this report.

Details of transaction(s) of the Company with entity(ies) belonging to promoter/promoter group which hold(s) more than 10% shareholding in the Company as required under para A Schedule V of the Listing Regulations are provided as a part of the financial statements.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchange.

SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No significant and material orders were passed by any Regulators, Courts or Tribunals impacting the going concern status of the Company and its operations in future.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to the provisions of Section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Para A of Schedule V of the Listing Regulations, the details of Loans, Guarantees and Investments covered during the financial year 2023-24 are given in the notes to the Financial Statements.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Being a diversified and prudent enterprise, your Company continues to focus on a system-based approach to manage risks. Risk management has always been an integral part of your Company. Backed by strong internal control systems and existing Risk Management Framework have laid down the roles and responsibilities of various business segments regarding the managing of risks, covering a range of responsibilities, right from strategic to operational. These responsibilities today offer a strong foundation for appropriate risk management procedures, their effective implementation as well as the independent monitoring and reporting handled by Internal Audit and the top management team.

Your Company has set appropriate structures to monitor and manage inherent business risks proactively. Accordingly, raw material pricing risks, commodity risks and currency fluctuation risk effectively managed by its proficient and capable team. It also has appropriate checks and balances in place and aims to minimize the adverse impact of these risks on its operations.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

ANTI-SEXUAL HARASSMENT POLICY

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted Internal Complaints Committee to redress the complaints of sexual harassment and has a policy and framework for employees to report sexual harassment cases at workplace. There has not been any instance of complaint reported in this regard, to the Committee.

During the year under review, the Internal Complaints Committee was re-constituted by the Board of Directors.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all dividends which remains unpaid or unclaimed for a period of seven years from the date of their transfer to the unpaid dividend account are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government.

BOARDS' REPORT (Contd.)

Further, pursuant to the provisions of Section 124(6) of the Act read with the Rules and subsequent amendments thereto, all the shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall also be transferred in favour of the Demat account of IEPF Authority.

During the year under review, the Company has transferred unpaid and unclaimed dividends of ₹ 27,895 for the financial year 2015-16 to the IEPF Authority and 860 corresponding shares on which dividends were unclaimed for seven consecutive years were transferred to the Demat Account of IEPF Authority as per requirements of the IEPF Rules.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website and can be accessed at www.hindusthanurban.com. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

COMPLIANCE WITH SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the applicable provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of 31st March, 2024 on its website at

<http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=20>

POLICY FOR DETERMINATION OF MATERIALITY OF AN EVENT OR INFORMATION

In line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy for determination of materiality-based events and the same is amended, as and when required.

The Policy for Determination of materiality of an event or information can be accessed on the company's website at www.hindusthanurban.com.

POLICY ON PRESERVATION OF DOCUMENTS

Pursuant to Regulation 9 of the Listing Regulations, the Company has adopted the policy on preservation of the documents.

The policy on preservation of documents can be accessed on the company's website at www.hindusthanurban.com.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI.

The Code of Conduct for prevention of Insider Trading can be accessed on the Company's website at www.hindusthanurban.com.

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI")

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has formulated a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. Pursuant to this regulation, the Company has adopted the Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI").

Policy for procedure of Inquiry in case of Leak of Unpublished Price Sensitive information ("UPSI") can be accessed on the company's website at www.hindusthanurban.com.

PERSONNEL

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure-IV**. A statement containing, inter alia, the names of top ten employees in terms of remuneration drawn is provided as part of the Annexure.

Details of employee remuneration as required under provisions of Section 197 (12) of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure-IV** and will be made available for inspection at the Registered Office of your Company during working hours, 21 days before the Sixty-fourth Annual General Meeting and shall be made available to any shareholder on request, in writing.

BOARDS' REPORT (Contd.)

OTHER DISCLOSURES

- To the best of our knowledge and belief, there are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which can have a material impact on the business of the Company.
- There were no instances where your Company required valuation for one time settlement or while taking the loan from the Banks or Financial Institutions.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation and gratitude for the assistance and generous support extended by all Government authorities, Financial Institutions, Banks, Customers and Vendors during the year under review. Your Directors wish to express their immense appreciation for the devotion, commitment and contribution shown by the employees of the company while discharging their duties.

For and on behalf of the Board of Directors

Place: New Delhi
Date: August 10, 2024

Sd/-
(Raghavendra Anant Mody)
Chairman
DIN: 03158072

Annexure- I

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and remuneration of managerial Personnel) Rules, 2014]

To,
The Members,
HINDUSTHAN URBAN INFRASTRUCTURE LIMITED
CIN: - L31300DL1959PLC003141
7th Floor, Kanchenjunga Building,
18, Barakhamba Road,
New Delhi - 110001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindusthan Urban Infrastructure 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 **Hindusthan Urban Infrastructure Limited** books, papers, minute books, forms, returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the applicable 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of regulation 55A;
- (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 during the period under review**
- (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 during the period under review**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the period under review**
 - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review**
 - (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 to the extent of securities issued; **Not Applicable during the period under review**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review**

Annexure- I (Contd.)

(vi) The Company is also subject to compliance of the following laws applicable to the Company:

- (a) Factories Act, 1948,
- (b) Payment of Wages Act, 1936,
- (c) Employee's State Insurance Act, 1948,
- (d) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952,
- (e) Payment of Gratuity Act, 1972,
- (f) The Contract Labour (Regulation & Abolition) Act, 1970,
- (g) Payment of Bonus Act, 1965,
- (h) Minimum Wages Act, 1948

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

- i) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted as per the Act and Rules made there under. 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.

Generally, adequate notice was given to all directors to schedule the Board Meetings, 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.

All decisions at Board Meetings and Committee Meetings are carried out by majority/unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the Audit Period:

- (i) Mr. Annuj Khandelwal (PAN- DMBPK5599A) resigned from the post of CFO of the Company with effect from 28/05/2023.
- (ii) Mr. Vishal Pachisia (PAN-AFRPP4570J) appointed as CFO of the Company with effect from 28/05/2023.
- (iii) Mr. Raghavendra Anant Mody (DIN:03158072) re-appointed as the Chairman & Whole-time Director of the Company by the members at their Sixty-third Annual General Meeting held on 30th September, 2023 for a period of three years with effect from 3rd October, 2023.
- (iv) Mr. Mool Chand Gauba (DIN: 02942664) has second tenure as an Independent Director of the Company expired/ceased on 20th September, 2023.
- (v) Mr. Ratan Lal Nangalia (DIN: 07268034) appointed as an Additional Director (in the capacity of Independent Director) of the Company with effect from 10/08/2023, further, on the recommendation of the Board of Directors, he was appointed as an Independent Director of the Company by the members at their Sixty-third Annual General Meeting held on 30th September, 2023 for a term of five consecutive years i.e. from 10th August, 2023 up to 9th August, 2028.

We further report that during the year under report the Company has not been exposed to any of the following instances.

- i. Public/Right/debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.

Annexure- I (Contd.)

- iii. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE 'A' and forms an integral part of this report.

For M/s Pankaj Kumar & Associates
Company Secretaries

Sd/-
(Pankaj Kumar)

FCS:6183

CP : 10148

Peer Review Certificate No.- 1018/2020

UDIN- F006183F000863237

Place : Gurugram
Date : 31/07/2024

Annexure - A

To,
The Members,
HINDUSTHAN URBAN INFRASTRUCTURE LIMITED
CIN: - L31300DL1959PLC003141
7th Floor, Kanchenjunga Building,
18, Barakhamba Road,
New Delhi -110001

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. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the Company
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M/s Pankaj Kumar & Associates
Company Secretaries

Sd/-
(Pankaj Kumar)

FCS:6183

CP : 10148

Peer Review Certificate No.- 1018/2020

UDIN- F006183F000863237

Place : Gurugram

Date : 31/07/2024

Annexure- I

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and remuneration of managerial Personnel) Rules, 2014]

To,
The Members,
HINDUSTHAN SPECIALITY CHEMICALS LIMITED
CIN: - U29120DL2003PLC242852
7th Floor, Kanchenjunga Building,
18, Barakhambha Road,
New Delhi - 110001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindusthan Speciality Chemicals 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 **Hindusthan Speciality Chemicals Limited** books, papers, minute books, forms, returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the applicable 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of regulation 55A;
- (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 during the period under review**
- (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; **Not Applicable during the period under review**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable during the period under review**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the period under review**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the period under review**
 - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review**
 - (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 to the extent of securities issued; **Not Applicable during the period under review**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review**

Annexure- I (Contd.)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review**

(vi) The Company is also subject to compliance of the following laws applicable to the Company:

- (a) Factories Act, 1948,
- (b) Payment of Wages Act, 1936,
- (c) Employee's State Insurance Act, 1948,
- (d) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952,
- (e) Payment of Gratuity Act, 1972,
- (f) The Contract Labour (Regulation & Abolition) Act, 1970,
- (g) The Water (Prevention & Control of Pollution) Act, 1974,
- (h) The Air (Prevention & Control of Pollution) Act, 1981
- (i) Hazardous Wastes (Management, Handling and Transboundary Movements) Rules, 2008,

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

- i) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted as per the Act and Rules made there under. 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.

Generally, adequate notice was given to all directors to schedule the Board Meetings, 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.

All decisions at Board Meetings and Committee Meetings are carried out by majority/unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the Audit Period

- (i) Mr. Himanshu Singh (Membership No.-A63330) resigned from the post of Company Secretary (KMP) of the Company with effect from 20/11/2023.
- (ii) Mr. Sanjay Bharti (Membership No.-F5835) appointed as Company Secretary (KMP) of the Company with effect from 01/02/2024.
- (iii) Mr. Yogesh Tank (PAN- ACGPT7320L) appointed as Chief Financial Officer of the Company with effect from 28/05/2023.
- (iv) Mr. Ganesh Santosh Landge (PAN- ADCPL5415F) resigned from the post of Manager (KMP) of the Company with effect from 22/04/2023.
- (v) Mr. Satej Mahadeo Nabar (DIN-06931190) appointed as an Additional Director of the Company with effect from 26/06/2023 and further appointed by shareholders in its annual general meeting held on 29/09/2023 as Managing Director of the Company with effect from 26/06/2023.

Annexure- I (Contd.)

We further report that during the year under report the Company has not been exposed to any of the following instances.

- i. Public/Right/debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE'A' and forms an integral part of this report.

For M/s Pankaj Kumar & Associates
Company Secretaries

Sd/-
(Pankaj Kumar)

FCS:6183

CP : 10148

Peer Review Certificate No.- 1018/2020

UDIN: F006183F000863303

Place : Gurugram

Date : 31/07/2024

Annexure - A

To,
The Members,
HINDUSTHAN SPECIALITY CHEMICALS LIMITED
CIN: - U29120DL2003PLC242852
7th Floor, Kanchenjunga Building,
18, Barakhambha Road,
New Delhi -110001

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. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made thereunder relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the Company
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M/s Pankaj Kumar & Associates
Company Secretaries

Sd/-
(Pankaj Kumar)
FCS:6183
CP : 10148

Place : Gurugram
Date : 31/07/2024

Peer Review Certificate No.- 1018/2020
UDIN: F006183F000863303

Annexure – II

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

I. Conservation of Energy

(a) Energy Conservation measures taken:

The company has made the efforts to meet the day to day required energy demand in manufacturing activities with available resources. Company has always considered energy and natural resource conservation as a focus area and has been consciously making efforts towards improving the energy performance year on year.

The company is using Solar Energy and moving towards Wind & Solar energy within maximum permissible limit.

(b) Additional Investments and proposals, if any, being implemented for reduction for consumption of energy:

The company is planning to use hybrid energy from next year to further reduce the consumption of conventional electricity.

(c) Total energy consumption and energy consumption per unit of production of energy consumption and consequent impact on the cost of production of goods:

S. N.	Particulars	UOM	%	Total
1.	Power Consumed			
i.	Electricity Board	Units	63.70	9709806
ii.	Solar Power (Clean Energy)*	Units	35.57	5422037
iii.	DG Set	Units	0.73	110460
	Total	Units		15242303
2.	Power Consumed	₹		121178009/-
i.	Production	MT		12790
ii.	Energy Cost Per MT (₹)	₹		9434/-
iii.	Unit Consumed per MT of Production	Units		1191.73

During the year, company had used Clean Energy of 35.57% of total power consumed due to which company has saved Rs 67.09 Lakhs

(d) Total Energy consumption and energy consumption per unit of production as per Form-A in respect of industries specified in the Schedule thereto – Not applicable

II. Technology Absorption

1. Research & Development (R&D)

- (a) Specific areas in which R&D carried out by the Company. - NIL
- (b) Benefit derived as a result of the above R&D. - NIL
- (c) Future Plan of action - NIL
- (d) Expenditure on R&D
 - i) Capital
 - ii) Recurring
 - iii) Total - NIL
 - iv) Total R&D expenditure as a percentage of total, turnover - NIL

2. Technology absorption, adaptation and innovation

- (a) Efforts, in brief, made towards technology absorption, adaptation and innovation - NIL
- (b) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc. – NIL

Annexure – II (Contd.)

- (c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year).
Not applicable

Technology Imported	Year of Import	Has technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons thereof, and future plans of action.
Not Applicable			

III. Foreign Exchange Earnings and Outgo

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans

Company's Insulators Division exported to countries i.e. Italy, Turkey, Russia, Egypt, South Africa, Bangladesh and Nepal etc. Company has made efforts to maintain focus on retaining of existing buyers and availing of export opportunities based on economic considerations. Further company is exploring export opportunities to other countries of the globe.

During the year, Company made exports of ₹ 1511.16 Lakhs including deemed exports out of which Export -FOB value is ₹ 1405.38 Lakhs.

(b) Total Foreign Exchange used and earned on accrual basis (₹ in Lakhs)

Used : ₹ 1017.90 (Payment to Vendors in Foreign Currency)

Earned : ₹ 1511.16

Annexure - III

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2023-24

1. Brief outline on CSR Policy of the Company

The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society. The Company ensures that all its stakeholders, including customers, shareholders, employees, business partners and the national community, are cared for. We work towards protecting the environment, as well as continually improving and enhancing the quality of life of individuals and communities.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Raghavendra Anant Mody	Chairman	1	0
2	Mr. Ratan Lal Nangalia	Member	1	1
3	Mrs. Deepika Agrawal	Member	1	1

3. 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:

Composition of CSR Committee: <http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=18>

CSR Policy: <http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=14>

CSR Projects: <http://hindusthanurban.com/investorrelation.aspx?mpgid=151&pgidtrail=151&catid=14>

4. 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, if applicable- Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135-

₹ (1259.44)

(b) Two percent of average net profit of the company as per sub-section (5) of section 135-

₹ (25.19)

(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, if any- NIL

(e) Total CSR obligation for the financial year [(b)+ (c)-(d)]- NIL

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)-NA

(b) Amount spent in Administrative overheads-NA

(c) Amount spent on Impact Assessment, if applicable- NA

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]- NA

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Not Applicable					

Annexure – III (Contd.)

(f) Excess amount for set-off, if any:- NA

S. No.	Particulars	Amount (₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	(25.19)
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
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 subsection (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 subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount	Date of Transfer		
1.	FY 2022-23							
2.	FY 2021-22							
3.	FY 2020-21							

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

NO

If Yes, enter the number of Capital assets created/ acquired

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent - (K in crore)	Details of entity/Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

Not Applicable

9. Reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135- Not Applicable

Annexure - IV

Particulars prescribed under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PART-A

(i) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24 is as follows:**

Mr. Raghavendra Anant Mody	1: 64
Mr. Deepak Kejriwal	1:27

(ii) **Details of percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary are as follows:**

Name of Director	Increase / (Decrease)
Mr. Raghavendra Anant Mody	NIL
Mr. Shyam Sunder Bhuwania	NIL
Mr. Deepak Kejriwal	NIL
Mr. Sadhu Ram Bansal	NIL
Mr. Ratan Lal Nangalia	NIL
Ms. Deepika Agrawal	NIL
Mr. Mool Chand Gauba	NIL
Mr. Vishal Pachisia	NIL
Mr. M.L. Birmiwala	NIL

(iii) **The percentage increase in the median remuneration of employees in the financial year 2023-24:**

The percentage increase in the median remuneration of employees in the financial year 2023-24 is around 5.76%.

(iv) **The number of permanent employees on the rolls of company**

The number of employees on permanent rolls of the company are 318.

(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.**

Not applicable

(vi) **Affirmation that the remuneration is as per the remuneration policy of the company:**

Yes, the remuneration paid to all Key Managerial Personnel was in accordance with remuneration policy adopted by the Company.

For and on behalf of the Board of Directors

Sd/
(Raghavendra Anant Mody)
Chairman
DIN: 03158072

Place : New Delhi
Date : August 10, 2024

Annexure – IV (Contd.)

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Top Ten Employees in terms of Remuneration drawn during the FY 2023-24

Sl. No.	Name of the Employee	Gross Remuneration per annum (in ₹)	Designation	Pay roll/ Contract	Qualification/ Experience	Commencement of Employment	Age	Last employment held
1	Raghavendra Anant Mody	1,80,00,000	Chairman & Whole-Time Director	Pay Roll	Graduate in Commerce	1-Sep-16	34	Hindusthan Engineering & Industries Limited
2	Sanchita Mody	90,00,000	Advisor- Corporate Planning	Pay Roll	Bachelor of Arts	1-Nov-11	58	
3	Deepak Kejriwal	75,00,000	Managing Director	Pay Roll	CA	15-Sep-03	58	Balkrishna Industries
4	Murari Lal Birmiwala	46,36,840	President-Finance & Secretary	Pay Roll	FCA, FCS/51 Years	7-Aug-82	74	EPI Limited
5	Vishal Pachisia*	23,00,628	Vice President-Commercial	Pay roll	CA,CS,MBA/ 12 Year/24 Years	1-May-23	47	Mody University of Science & Technology
6	M. Rajan	35,99,996	Vice President-Production	Pay roll	Diploma in Automobile/39 Years	6-Dec-21	62	C.J.I. Porcelain, Khurja
7	Hemant Kumar Bhati	28,24,999	General Manager-Production	Pay roll	DEE/MPEE/36 Years	11-Oct-21	57	C.J.I. Porcelain, Khurja
8	Sanjay Bharti**	25,26,333	General Manager - Legal & Secretarial	Pay Roll	CS & LLB/22 Years	11-Apr-22	52	Polyplex Corporation Limited
9	Veerendra Kumar Khade	22,22,567	DGM- Planning	Pay Roll	Diploma in Mechanical Engineering	1-Mar-21	57	National Industries, Govindpura
10	Harendra Nath Rai	21,20,000	GM- Projects	Pay Roll	Diploma in Electrical Engineering	1-Apr-23	55	Hindusthan Urban Infrastructure Limited

* Mr. Vishal Pachisia has joined the Company with effect from 1st May, 2023.

** Mr. Sanjay Bharti was transferred from the Company to its subsidiary Company namely Hindusthan Speciality Chemicals Limited with effect from 1st February, 2024.

Annexure - V

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis for the Financial Year ended 31st March, 2024 are as follows:

Name of the Related Party and Nature of Relationship	Nature of Contracts/ arrangements/ transactions	Duration of Contracts/ Contracts/ arrangements/ transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any*	Date(s) of approval by the Board, including Committee, if any	Transaction Amount (₹ In Lakhs)
Mrs. Sanchita Mody-Mother of Mr. Raghavendra Anant Mody, Chairman & Whole-time director of the Company	Appointment to office or place of profit in the Company at a remuneration exceeding ₹ 2,50,000 per month in the capacity of Advisor-Corporate Planning	Ongoing	On mutual agreed terms	13 th February, 2023	89,70,603

*Appropriate approvals have been taken for related party transactions.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 10th August, 2024

Sd/
(Raghavendra Anant Mody)
Chairman & Whole-time Director
DIN: 03158072

REPORT ON CORPORATE GOVERNANCE

1. **PHILOSOPHY ON CORPORATE GOVERNANCE**

Good Corporate Governance emerges from the application of best and sound business practices which ensure that the company operates within the regulatory framework. The adoption of such corporate practices ensures accountability of the persons in charge of the Company and brings benefits to investors, customers, lenders, creditors, employees, other stakeholders and the society at large. The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations.

The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

This report is prepared in accordance with the provisions of the Listing Regulations [Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015] ('Listing Regulations') and the report contains the details of Corporate Governance systems, procedures and processes at Hindusthan Urban Infrastructure Limited.

2. **THE BOARD OF DIRECTORS**

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses. The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets.

Composition of the Board

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 ("Act") read with the Rules made thereunder. The Board has an optimal mix of Executive and Non-Executive Directors, comprising Independent Directors and the same is also in line with the applicable provisions of the Companies Act, 2013("the Act") and Listing Regulations.

As on date of this report, the Board comprised of 6 (six) directors consisting of 1 (one) Promoter Executive Director, 1 (one) Non-Promoter Executive Director, 1(one) Non-Executive Non- Independent Director and 3 (three) Non-Executive Independent Directors including a Woman Director.

The Chairman of your Company is a Promoter & Executive Director and the number of Non-Executive and Independent Directors is more than one-half of the total number of Directors.

Changes in the Board of Directors and Key Managerial Personnel

During the year under review, on the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Raghavendra Anant Mody (DIN:03158072) was re-appointed as the Chairman & Whole-time Director of the Company by the members at their Sixty-third Annual General Meeting held on 30th September, 2023 for a period of three years with effect from 3rd October, 2023.

The second tenure of Mr. Mool Chand Gauba (DIN: 02942664) as an Independent Director of the Company expired/ceased on 20th September, 2023. The Board of Directors placed on record its appreciation for the valuable contribution, dedicated efforts and guidance provided by him during his long tenure as an Independent Director of the Company.

The Board of Directors in its meeting dated 10th August, 2023, on the recommendation of Nomination & Remuneration Committee, has approved the appointment of Mr. Ratan Lal Nangalia (DIN: 07268034) as an Additional Director (in the capacity of Independent Director) of the Company with immediate effect, not liable to retire by rotation, who held the office as such upto Sixty-third Annual General Meeting. Further, on the recommendation of the Board of Directors, he was appointed as an Independent Director of the Company by the members at their Sixty-third Annual General Meeting held on 30th September, 2023, not liable to retire by rotation, for a term of five consecutive years i.e. from 10th August, 2023 upto 9th August, 2028. In the opinion of the Board, Mr. Ratan Lal Nangalia possess requisite expertise and experience, integrity and proficiency for appointment as an Independent Director and is in compliance with the provisions of Section 150 of the Companies Act, 2013.

The composition of the Board represents an optimum combination of knowledge, experience and skills from diverse fields including finance, governance etc. which are required by the Board to discharge its responsibilities effectively. The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, strategy, governance, compliance, etc.

During the financial year 2023-24, Mr. Annuj Khandelwal resigned from the position of Chief Financial Officer under the category of Key Managerial Personnel of the Company with effect from 28th May, 2023. The Board placed on record its appreciation for the valuable services rendered by him during his tenure as the Chief Financial Officer of the Company.

Further, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee of the Company, has approved the appointment of Mr. Vishal Pachisia as the Chief Financial Officer under the category of Key Managerial Personnel of the Company at its meeting held on 28th May, 2023 with immediate effect.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Meetings, Attendance and Other Directorships

During the Financial year 2023-24, four meetings of the Board were held at the Registered Office of the Company on 28.05.2023, 10.08.2023, 10.11.2023 and 13.02.2024. The Board met at least once in every calendar quarter and the interval between two consecutive Board Meetings was well within the maximum allowed gap of 120 days. During the year, the Board also transacted some of the business by passing resolutions by circulation.

Based on intimations/disclosures received from the Directors periodically, none of the Directors is a Director (including any alternate directorships) in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 7 listed entities or acts as an Independent Director in more than 7 listed entities or 3 listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/ she is a Director.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have provided an annual confirmation that they meet the criteria of Independence as mentioned in Regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act. Based on the confirmations/disclosures received from the Independent Directors, the Board of Directors of the Company is of the opinion that the Independent Directors fulfil the conditions specified under the Companies Act, 2013 read with rules made thereunder and the Listing Regulations and are Independent of the Management.

In accordance with Regulation 26(5) of the Listing Regulations, 2015, the Senior Management of your Company has made disclosures to the Board confirming 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.

The names of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting (AGM), number of other Companies in which the Director holds Directorship and Committee Chairmanship/Membership as on March 31, 2024 along with other details are given below:-

Name of Directors	Nature of Directorship	Board Meetings		AGM Attendance	Directorship in other companies*	Number of Chairmanship/ Memberships in Committees of other companies***		Directorship held in other listed companies	inter-se Relationship with each other**	No. of shares held in the company along with percentage to the paid up share capital of the company***
		Held	Attended			Member-ship	Chairman-ship			
Mr. Raghavendra Anant Mody	Whole-time Director/ Chairman/Promoter	4	1	No	5	1	1	Director of Pradyumna Steels Limited	**	5107
Mr. Shyam Sunder Bhuwania	Non-executive / Non Independent Director	4	4	Yes	1	0	0	-	**	70
Mr. Deepak Kejriwal	Managing Director	4	4	Yes	1	0	0	-	**	05
Mr. Sadhu Ram Bansal	Non-Executive Director/ Independent Director	4	4	Yes	6	6	1	Independent Director of KEI Industries Limited, GMR Infrastructure Limited and JK Lakshmi Cement Limited	**	NIL
Mr. Mool Chand Gauba	Non-Executive Director / Independent Director	4	2	No	1	0	0	-	**	NIL
Ms. Deepika Agrawal	Non-Executive Director / Independent Director	4	4	Yes	4	1	0	-	**	NIL
Mr. Ratan Lal Nangalia	Non-Executive Director / Independent Director	4	2	Yes	0	0	0	-	**	NIL

* Excludes directorship in private companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.

REPORT ON CORPORATE GOVERNANCE (Contd.)

** No inter-se relationship with any of the Directors of the Company.

*** The Committees considered for the purpose are those prescribed under Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies.

Matrix setting out the skills/expertise/competence of the Board of Directors required in the context of its business for it to function effectively and those actually available with the Board:

Skill and its description	Mr. Raghavendra Anant Mody	Mr. Shyam Sunder Bhuwania	Mr. Deepak Kejriwal	Mr. Sadhu Ram Bansal	Mr. Ratan Lal Nangalia	Ms. Deepika Agrawal
Strategy and planning Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company.	Yes	Yes	Yes	Yes	Yes	Yes
Risk and Compliance Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.	Yes	Yes	Yes	Yes	Yes	Yes
Financial Management and Accounting Comprehensive understanding of financial accounting, reporting and controls and analysis.	Yes	Yes	Yes	Yes	Yes	Yes
Sales, Marketing & Brand building Experience in developing strategies to grow sales and market share, build brand awareness and equity.	Yes	Yes	Yes	Yes	Yes	Yes
Board service and Governance Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholders interest.	Yes	Yes	Yes	Yes	Yes	Yes
Knowledge and expertise of Trade and economics policies Possessing knowledge and expertise of various trade and economic policies, ability to analyse their impact on the business of the Company and devise revised strategies.	Yes	Yes	Yes	Yes	Yes	Yes

3. BOARD PROCEDURE

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes to the Agenda, is sent to each Director at least seven days before the date of the Board Meeting(s) and each Committee Meeting(s) except where Meeting(s) have been convened at a shorter notice to transact urgent business.

Video Conferencing facilities are provided to enable Director(s) who are unable to attend the Meeting(s) in person, to participate in the Meeting.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director and Chief Financial Officer apprise the Board at every Meeting of the overall performance of your Company.

Your Company has a well-established framework for the Meetings of the Board and its Committees which seeks to systematise the decision making process at the Meetings in an informed and efficient manner. Regular inputs and feedback of Board Members are taken and considered while preparing the Agenda and related documents for the Board and Committee Meetings. Apart from Board Members and the Company Secretary, the Board and Committee Meeting(s) are also attended by the Chief Financial Officer

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements, to provide guidance to Directors, to facilitate convening of Meetings and acts as interface between the Management and Regulatory Authorities for Governance related matters of the Company.

4. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation which concern the Company and need a closer review. The

REPORT ON CORPORATE GOVERNANCE (Contd.)

Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The minutes of the meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board has established the following statutory and non-statutory Committees:-

AUDIT COMMITTEE

Composition

The Board of Directors, at its meeting held on 10th August, 2023 has re-constituted the Audit Committee and inducted Mr. Ratan Lal Nangalia as a Member in place of Mr. Mool Chand Gauba upon completion of his second tenure as an Independent Director on 20th September, 2023. Post the re-constitution, the Audit Committee comprises of the following Directors:

Mr. Sadhu Ram Bansal, Chairman

Mr. Deepak Kejriwal, Member

Mr. Ratan Lal Nangalia, Member

Ms. Deepika Agrawal, Member

Mr. M.L. Birmiwala acts as the Secretary of the Committee.

Meeting, quorum and attendance

During the year, four meetings of the Audit Committee were held on the following dates:

(i) 28.05.2023 (ii) 10.08.2023 (iii) 10.11.2023 (iv) 13.02.2024

The attendance of the members at Audit Committee meetings held during the financial year 2023-24 are detailed below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Sadhu Ram Bansal	4	4
Mr. Deepak Kejriwal	4	4
Mr. Mool Chand Gauba	4	2
Ms. Deepika Agrawal	4	4
Mr. Ratan Lal Nangalia	4	2

Key Terms of Reference of the Committee:

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations, 2015). Apart from the above, the Committee also carries out such functions/responsibilities as entrusted to it by the Board of Directors from time to time.

The Committee is authorised to, inter alia, review and monitor the Auditor's independence and performance, scope and effectiveness of audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, review with the management the quarterly and annual financial statements and auditor's report before submission to the Board for approval, select and establish accounting policies, review Reports of the Statutory and the Internal Auditors, review of Non-Audit Services rendered by the Statutory Auditors, to consider and grant prior approval for the related party transactions including material related party transactions in terms of Regulation 23 read with Regulation 2(1)(zc) and Regulation 2(1)(zb) of the Listing Regulations, if any, granting omnibus approvals for related party transactions subject to fulfilment of certain conditions and quarterly reviews thereof, approve transaction(s), if any, of the Company or any Subsidiaries of the Company on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any Subsidiaries of the Company.

The Committee is also authorised to scrutinise intercorporate loans and investments, valuation of undertakings or assets of the Company, review the risk assessment and minimisation procedures, evaluate internal financial controls and risk management systems, monitor end use of the funds, if any raised through public offers and related matters, review the utilisation of loans and/ or advances, if any, from/ investment by the Company in the subsidiary companies exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments and verify that the systems for

REPORT ON CORPORATE GOVERNANCE (Contd.)

internal control are adequate and are operating effectively. The terms of reference are also in line with the regulatory requirements mandated in the Act and Listing Regulations.

The Committee is also empowered to, inter alia, recommend the remuneration payable to the Statutory Auditors, availing of such other permitted services from the Auditors and to recommend a change in the Auditors, if felt necessary. Further, the Committee is empowered to recommend to the Board, the appointment of Chief Financial Officer, the term of appointment and remuneration of the Cost Auditor, Internal Auditor, etc., review the functioning of the Whistle-blower Policy/ Vigil Mechanism. The Committee also reviews Financial Statements and Investments of unlisted subsidiary companies, Management Discussion & Analysis of financial condition and results of operations.

The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations.

As required under the Secretarial Standard on General Meetings, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him on his behalf shall attend the General Meeting of the Company. Mr. Sadhu Ram Bansal, Chairman of the Audit Committee, was virtually present at the 63rd AGM of the Company held through Video Conferencing facility on 30th September, 2023.

NOMINATION AND REMUNERATION COMMITTEE

Composition

The Board of Directors, at its meeting held on 10th August, 2023 has re-constituted the Nomination and Remuneration Committee and inducted Mr. Ratan Lal Nangalia as a Member in place of Mr. Mool Chand Gauba upon completion of his second tenure as an Independent Director on 20th September, 2023. Post the re-constitution, the Nomination and Remuneration Committee comprises of the following Directors:

Mr. Sadhu Ram Bansal, Chairman

Mr. Ratan Lal Nangalia, Member

Ms. Deepika Agrawal, Member

Mr. M.L. Birniwala acts as Secretary of the Committee.

Meeting, quorum and attendance

During the year, three meetings of the Committee were held on the following dates:

(i) 28.05.2023 (ii) 10.08.2023 (ii) 13.02.2024

The attendance of the members at Nomination and Remuneration Committee meetings held during the financial year 2023-24 are detailed below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Sadhu Ram Bansal	3	3
Mr. Mool Chand Gauba	3	2
Ms. Deepika Agrawal	3	3
Mr. Ratan Lal Nangalia	3	1

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, 2015. Apart from the above, the Committee also carries out such functions/responsibilities as entrusted on it by the Board of Directors from time to time.

Key Terms of Reference of the Committee:

The Committee has been vested with the authority to, inter alia, recommend nominations for Board Membership, develop and recommend Policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experience, track record, integrity, etc;

The terms of reference of this Committee are aligned with the Listing Regulations and the Act. The scope of the Committee inter alia includes review of market practices and deciding on remuneration packages applicable to the Executive Director(s) and Members of Senior Management as may be decided from time to time (including the Chief Financial Officer and Company Secretary).

REPORT ON CORPORATE GOVERNANCE (Contd.)

In addition to the above, the Committee's role includes identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every Director's performance. The minutes of each Nomination and Remuneration Committee meeting are placed in the next meeting of the Board. As per section 178(7) of the Act and Secretarial Standard on General Meetings, the Chairman of the Committee or in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. Mr. Sadhu Ram Bansal, Chairman of the Nomination and Remuneration Committee, was virtually present at the 63rd AGM of the Company held through Video Conferencing facility on 30th September, 2023.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition

As on 31st March, 2024, the Stakeholders' Relationship Committee comprises of the following Directors:

Mr. Sadhu Ram Bansal, Chairman

Mr. Deepak Kejriwal, Member

Ms. Deepika Agrawal, Member

Mr. M.L. Birmiwala is the Secretary of the Committee.

During the year, one meeting of the Committee was held on 28.05.2023.

The attendance of the members at Stakeholders' Relationship Committee meeting held during the financial year 2023-24 are detailed below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Sadhu Ram Bansal	1	1
Mr. Deepak Kejriwal	1	1
Ms. Deepika Agrawal	1	1

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, 2015.

Key Terms of Reference of the Committee:

The terms of reference of the Stakeholders' Relationship Committee inter alia includes:

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Resolving the grievances of the security holders of the listed entity 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.

During the year, the Company had not received any complaints from the shareholders and no investor grievance has remained unattended / pending as on date.

The minutes of each Stakeholder's Relationship Committee meeting are placed in the next meeting of the Board. Mr. Sadhu Ram Bansal, Chairman of the Stakeholders' Relationship Committee, was virtually present at the 63rd AGM of the Company held through Video Conferencing facility on 30th September, 2023.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition

The Board of Directors, at its meeting held on 10th August, 2023 has re-constituted the Corporate Social Responsibility Committee and inducted Mr. Ratan Lal Nangalia as a Member in place of Mr. Mool Chand Gauba upon completion of his second tenure as an Independent Director on 20th September, 2023. Post the re-constitution, the Corporate Social Responsibility Committee comprises of the following Directors:

Mr. Raghavendra Anant Mody, Chairman

Ms. Deepika Agrawal, Member

Mr. Ratan Lal Nangalia, Member

Mr. M.L. Birmiwala is the Secretary of the Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Meeting, quorum and attendance

During the year, one meeting of the Committee was held on 28.05.2023:

The attendance of the members at Corporate Social Responsibility (CSR) Committee meeting held during the financial year 2023-24 are detailed below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Raghavendra Anant Mody	1	0
Mr. Mool Chand Gauba	1	1
Mr. Deepak Kejriwal	1	1
Mr. Ratan Lal Nangalia	1	0
Ms. Deepika Agrawal	1	0

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013.

The CSR Policy of the Company has been uploaded on the Company's website at www.hindusthanurban.com.

SHARE TRANSFER COMMITTEE

The share transfer Committee comprises of Mr. Raghavendra Anant Mody and Mr. M.L. Birmiwala, responsible for approving the transfer, transmission, consolidation of securities and issuance of duplicate certificates etc. which are in physical form.

The Committee is authorized to look into and review the reports relating to approval / confirmation of requests for share transfer / transmission / transposition / consolidation / issue of duplicate share certificates / sub-division, remat, demat of shares etc. from time to time.

BORROWING COMMITTEE

Composition

The Borrowing Committee comprises of Mr. Raghavendra Anant Mody, Mr. Shyam Sunder Bhuwania and Mr. Deepak Kejriwal responsible for review and approval of the borrowings made by the Company and to monitor the end use of such borrowings along with any other responsibility as may be assigned by the board from time to time.

Meeting, quorum and attendance

During the year, two meetings of the Committee were held on the following dates:

(i) 06.01.2024 (ii) 18.03.2024

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Raghavendra Anant Mody	2	1
Mr. Shyam Sunder Bhuwania	2	2
Mr. Deepak Kejriwal	2	1

INVESTMENT & GUARANTEE COMMITTEE

Composition

The Investment & Guarantee Committee comprises of Mr. Raghavendra Anant Mody, Mr. Shyam Sunder Bhuwania, Mr. Deepak Kejriwal and Mr. M.L. Birmiwala responsible for review and approval for making investments and giving guarantees for and on behalf of the Company and monitoring such investments/ guarantee given along with any other responsibility as may be assigned by the board from time to time.

Meeting, quorum and attendance

During the year, one meeting of the Committee was held on 01.12.2023.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Raghavendra Anant Mody	1	0
Mr. Shyam Sunder Bhuwania	1	1
Mr. Deepak Kejriwal	1	0
Mr. M.L. Birmiwala	1	1

5. BOARD DIVERSITY

The Company has adopted a Policy on Diversity of Board of Directors as required under Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations, 2015 which guides the organization's approach to diversity in the composition of the Board and is available on the Company's website at www.hindusthanurban.com.

6. REMUNERATION POLICY

Your Company has a well-defined Policy for Remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel. The details of Company's Remuneration Policy for Directors, Key Managerial Personnel and Senior Management are given in the Board's Report.

The Remuneration Policy of the Company is to ensure that Directors, Company's Senior Management including Key Managerial Personnel are rewarded in a fair and reasonable manner, for their individual contributions to the success of the Company and are provided with appropriate incentives to encourage enhanced performance.

The remuneration paid to the Directors, Company's Senior Management including Key Managerial Personnel is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. Remuneration payable to Executive Directors is subject to the subsequent approval by the shareholders at the General Meeting and such other authorities, as required.

The elements of remuneration package of Executive Directors include salary, benefits, stock options, pension, etc. The Non-Executive Directors are paid remuneration in the form of sitting fees for attending the meetings of the Board of Directors or any Committee thereof, as approved by the Board of Directors.

Remuneration of Directors

The details of the Remuneration (including allowances and perquisites) paid to the Directors of the company for the financial year 2023-24 are as follows:

(Amount in ₹)

Name of the Directors	Category of Director	Basic Salary	Allowance & Perquisites	Sitting fee	Commission	Total
Mr. Raghavendra Anant Mody	Chairman & Whole-time Director, Executive Director	1,66,04,300	17,12,014	-	-	1,83,16,314
Mr. Shyam Sunder Bhuwania	Non-Executive, Non-Independent Director	-	-	-	-	-
Mr. Deepak Kejriwal	Managing Director, Executive Director	57,62,736	3,98,508	-	-	61,61,244
Mr. Sadhu Ram Bansal	Non- Executive, Independent Director	-	-	1,60,000	-	1,60,000
Mr. Mool Chand Gauba#	Non- Executive, Independent Director	-	-	90,000	-	90,000
Ms. Deepika Agrawal	Non- Executive, Independent Director	-	-	1,60,000	-	1,60,000
Mr. Ratan Lal Nangalia##	Non- Executive, Independent Director	-	-	70,000	-	70,000

Mr. Mool Chand Gauba ceased to be an Independent Director of the Company on account of completion of second tenure on 20th September, 2023.

Mr. Ratan Lal Nangalia was appointed as an Independent Director of the Company by the members at the 63rd AGM of the Company with effect from 10th August, 2023.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Notes:

- The Company has not granted stock options to any of its Directors during the year under review.
- Notice period applicable to Executive Directors is three months.
- There is no separate provision for payment of Severance Fees.

7. SENIOR MANAGEMENT

Particulars of Senior Management Personnel (“SMP”) and changes therein since the close of the previous financial year:

A) Particulars of SMP as of 1st April, 2023:

S.No.	Name of the SMP of the Company	Designation
1	Mr. M.L. Birmiwala	President-Finance & Secretary
2	Mr. Vishal Pachisia	Chief Financial Officer and Vice President-Commercial
3	Mr. H. N. Rai	General Manager-Projects
4	Mr. Hemant Kumar Bhati	General Manager-Production
5	Mr. Mukesh Nayak	General Manager-Export Marketing
6	Mr. Shailendra Singh	General Manager-Marketing
7	Mr. Yashwant Kadwey	General Manager-QC
8	Mr. Sanjay Bharti#	General Manager-Legal & Secretarial
9	Mr. M Rajan	Vice President-Production
10	Mr. Govind Singh	Asst. Vice President-Eng. & Services
11	Mr. Ravi Singh	Asst. Vice President-Marketing
12	Mr. Arvind Singh	Deputy Manager-HR & Admin.
13	Mr. Sanjay Verma	Head-IT

Mr. Sanjay Bharti has been transferred to the subsidiary company, HSCL, with effect from 1st February, 2024.

B) Additions to the SMP during the FY 2023-24:

S.No.	Name of the SMP of the Company	Designation
1	Mr. Vivek Narayan	Vice President-R&D

8. DISCLOSURE POLICY

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information, which is available on the website of the Company at www.hindusthanurban.com. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an ongoing basis.

9. POLICY FOR PRESERVATION OF DOCUMENTS

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to which certain documents are to be retained. The policy applies to all departments of the organization that handle the prescribed categories of documents and is available on the website of the Company at www.hindusthanurban.com.

10. INDEPENDENT DIRECTORS

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and Section 149(6) of the Companies Act, 2013 read with rules framed thereunder. In terms of Section 149(7) and Regulation 25(8) of SEBI Listing Regulations, 2015, all the independent directors have given declarations/disclosures that they fulfil the independence criteria as specified under Section 149(6) of the Companies Act, 2013 read with rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and have also confirmed 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 judgement and without any external influence.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Independent Directors are paid Rs. 20,000 (Rupees twenty thousand only) as sitting fee for attending every meeting of the Board and Rs. 10,000 (Rupees Ten Thousand only) for attending the Committee Meetings held during the year.

Professional fee for the year under review was paid to M/s. Damodar Agrawal & Associates, consulting firm in which Ms. Deepika Agrawal, Non-Executive and Independent Director is a partner, amounting to Rs. 50,000 plus applicable GST. However, it is hereby clarified that the fee received by M/s. Damodar Agrawal & Associates from the company, does not amount to 10% or more of the gross turnover of such firm;

Apart from this, during the Financial Year 2023-24, the Non-Executive Directors did not have any other pecuniary relationship or transactions with the Company other than those mentioned in the Notes of the Standalone Financial Statements.

Non-Executive Directors with materially significant, pecuniary or business relationship with the Company

There have been no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fee payable to them in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015 a separate exercise was carried out to evaluate the performance of Individual Directors of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board of Directors. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

- **Board, Committees and Senior Management**

One of the key responsibilities of the Board and the Nomination & Remuneration Committee includes establishment of a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman.

- **Board and Individual Directors**

The parameters of the performance evaluation process for the Board, *inter alia*, considers work done by the Board around long term strategy, mix of Board members, discharging its governance & fiduciary duties, handling critical and dissenting suggestions, etc.

The parameters of the performance evaluation process for Directors includes, effective participation in meetings of the Board, attendance of Director(s), etc.; Independent Directors were evaluated by the entire Board with respect to fulfilment of independence criteria as specified in the Listing Regulations and their Independence from the Management.

The Independent Director(s) had evaluated the performance of other Directors including the Chairman of the Board. The outcome of meeting evaluation was discussed at the respective meetings of Board, Committees and Independent Directors.

- **Committees of the Board**

The performance evaluation of committees were carried out based on the degree of fulfilment of key responsibilities as outlined by the charter, adequacy of committee composition, effectiveness of meetings, quality of deliberations at the meetings and information provided to the Committees. The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward.

- **Managing Director and Whole-time Director**

The Nomination & Remuneration Committee evaluates the performance of the Managing Director/Whole-time Director by setting their Key Performance Objectives or Key Performance Parameters at the beginning of each financial year. The Committee ensures that their Key Performance Objectives are aligned with the immediate and long-term goals of the Company.

MEETINGS OF INDEPENDENT DIRECTORS

In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI Listing Regulations, 2015 and all are independent of the Management.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Independent Directors are appointed by the Members of the Company and letter of appointment is issued to them as per Schedule IV of the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company at www.hindusthanurban.com.

Regulation 25(3) of the Listing Regulations, Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non – Independent Directors.

During the financial year 2023-24, the Independent Directors met on 13.02.2024. They discussed and reviewed performance of Non-Independent Directors, the Board of Directors as a whole, Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board of Directors to effectively and reasonably perform their duties. In addition to formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

RESIGNATION OF INDEPENDENT DIRECTOR(S)

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

FAMILIARISATION PROGRAMME

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the company regularly familiarizes independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.;

The Company conducts Familiarisation Programme for Independent Directors to enable them to understand their roles, rights and responsibilities. During the year under review, the Independent Directors visited the plant of the Company located at Mandideep, Madhya Pradesh where the Plant head along with the Managing Director apprised the Independent Directors with the manufacturing process of the Insulators and explained the working in a detailed manner from inception to final stage of manufacturing the Insulators.

The Independent Directors are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Moreover, when new Director(s) are inducted on the Board, an information pack is handed over to them which includes Company's profile, Company's Codes and Policies, Strategy and such other operational information which will enable them to understand the Company and its business(es) in a better way.

The details of such familiarisation programme are disclosed on the website of the company at www.hindusthanurban.com.

SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and the decisions are considered by the Nomination and Remuneration Committee, for appointment of Independent Director on the Board. The Committee, inter alia, considers Qualification, positive attributes, area of expertise number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013 and the Listing Regulations, 2015. As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the law.

11. FRAMEWORK FOR MONITORING SUBSIDIARY COMPANIES

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, Hindusthan Speciality Chemicals Limited (HSCL) is a material unlisted subsidiary of the Company, duly incorporated on 11th July, 2003 with ROC, West Bengal. Further, M/s. M.L. Garg & Co., Chartered Accountants (Firm Registration No. 001604N) were appointed as the Statutory Auditors of HSCL at their 20th AGM held on 29th September, 2023, for a period of five consecutive years to conduct the audit for the financial year 2023-24

REPORT ON CORPORATE GOVERNANCE (Contd.)

till 2027-28.

The Statutory Auditors hold a valid peer review certificate as prescribed under the Listing Regulations. The subsidiary of the Company function independently, with an adequately empowered Board of Directors and adequate resources. For more effective governance, the minutes of Board Meetings of unlisted subsidiaries of the Company are placed before the Board of Directors of the Company for their review at every quarterly Meeting.

The composition and effectiveness of Board of subsidiary is reviewed by the Company periodically. Governance framework is also ensured through appointment of Managerial Personnel and Secretarial Auditor. A robust compliance management system of the subsidiary is also in place. Guidance is provided to subsidiary on matters relating to conduct of Board meeting, training and familiarisation programmes for the Independent Directors on the Board of subsidiary.

The Company is in compliance with Regulation 24A of the Listing Regulations, 2015. The Company's unlisted material subsidiary undergo Secretarial Audit. Copy of Secretarial Audit Report of Hindusthan Speciality Chemicals Limited is available on the website of the Company at www.hindusthanurban.com and also forms part of the Annual Report. The Secretarial Audit Report of the unlisted material subsidiary does not contain any qualification, reservation, adverse remark or disclaimer. The Company monitors performance of subsidiary company, inter alia, by the following means:

Financial statements and investments, if any, made by subsidiary company are reviewed quarterly by the Company's Audit Committee.

Minutes of Board meetings of subsidiary company are placed before the Company's Board regularly.

A certificate relating to significant transactions and arrangements by subsidiary company is taken from the management of the subsidiary company and is also placed before the Company's Board.

The Company's Board is also apprised on business performance of subsidiary of the Company by the senior management.

As required under Regulation 16(1)(c) and 24 of the Listing Regulations, 2015 the Company has adopted a policy on determining "material subsidiary" and the said policy is available on the Company's website at www.hindusthanurban.com.

The requirements of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for Subsidiary Companies have been complied with.

12. GENERAL BODY MEETINGS

A. The details of the last three Annual General Meetings are as under:

Financial Year(s)	Venue	Date	Time	Special Resolution Passed
2020-2021	Video Conferencing and Other Audio Visual Means	24.09.2021	2:00 P.M.	Yes *
2021-2022	Video Conferencing and Other Audio Visual Means	27.09.2022	10:06 A.M.	Yes**
2022-2023	Video Conferencing and Other Audio Visual Means	30.09.2023	11:00 A.M.	Yes***

- B. *1. Special resolution for Revision in the remuneration of Mr. Deepak Kejriwal (DIN 07442554) as Managing Director.
2. Special resolution for Re-appointment and remuneration of Mr. Deepak Kejriwal (DIN 07442554) as Managing Director.

** Special resolution for appointment of Ms. Deepika Agrawal (DIN: 09395834) as an Independent Director of the Company.

- *** 1. Special resolution for appointment of Mr. Ratan Lal Nangalia (DIN: 07268034) as an Independent Director of the Company.
2. Special resolution for Re-appointment of Mr. Raghavendra Anant Mody (DIN: 03158072) as Chairman & Whole-time Director of the Company.

C. Whether any Special Resolution is proposed to be passed through postal ballot this year: No

D. Details of special resolution passed through postal Ballot during the financial year 2023-24. NA

REPORT ON CORPORATE GOVERNANCE (Contd.)

13. MEANS OF COMMUNICATION

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, the Annual Reports and uploading relevant information on its website. Such timely disclosures are an indicator of the Company's good corporate governance practices.

a) Quarterly Results

The Company's quarterly/half-yearly/nine months/annual financial results are sent to Stock Exchange and published in newspapers i.e. Financial Express in English & Jansatta in Hindi. Simultaneously, they are also put on the Company's website www.hindusthanurban.com.

b) Stock Exchange

The Company is timely submitting the required information, statement and report to the BSE Ltd. The Company intimates to the Stock Exchange all price sensitive information which in its opinion are material and of relevance to the shareholders.

c) Reminder to Investors

Reminders for unclaimed shares, unpaid/unclaimed dividend are sent to the shareholders as per records every year.

14. GENERAL SHAREHOLDER INFORMATION

Pursuant to General Circular No. 20/2020 issued by Ministry of Corporate Affairs ('MCA') dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively and MCA General Circular No. 09/2023 dated 25th September, 2023, the companies whose AGMs are due in the Year 2024 are allowed to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM) on or before 30th September, 2024. Accordingly, your Company will be conducting the 64th AGM through VC/OAVM facility.

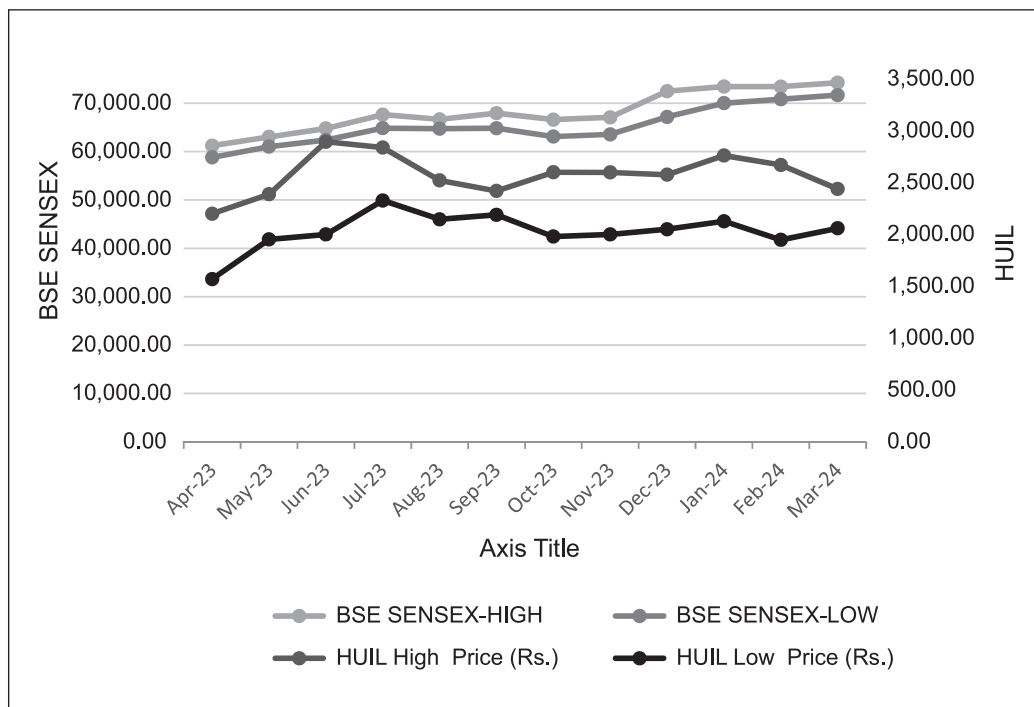
A	Date of Annual General Meeting	:	30 th September, 2024
	Time and venue	:	11:00 A.M through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')
B	Book Closure	:	Tuesday 24 th September, 2024 to Monday, 30 th September, 2024
C	Financial year	:	The financial year of the Company starts from the 1 st day of April and end on 31 st day of March of the next year
Tentative schedule for declaration of financial results during the financial year 2024-25 are given below. In addition, the Board may meet on other dates as and when required.			
	Quarter ended 30 th June, 2024	:	Before 14 th August, 2024
	Quarter ending 30 th September, 2024	:	Before 14 th November, 2024
	Quarter ending 31 st December, 2024	:	Before 14 th February, 2025
	Quarter and year ending 31 st March, 2025	:	Before 30 th May, 2025
D	Listing details	:	
	Name of Stock Exchange and Stock Code	:	BSE Ltd., BSE Scrip Code: 539984
	BSE Limited (BSE) – 539984	:	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
	ISIN	:	INE799B01017
	Payment of Listing Fees	:	Annual listing fee for the financial year 2024-25 has been paid to the BSE Limited.
	Payment of Depository Fees	:	Annual Custody / Issuer fee for the year 2024-25 to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) have been paid.

REPORT ON CORPORATE GOVERNANCE (Contd.)

E. Market Price Data – the monthly high and low prices of the Company’s shares at BSE for the financial year ended 31st March, 2024 are as follows:

Month	BSE		BSE	
	Share price (In ₹)		(Sensex)	
	High	Low	High	Low
2023				
April	2,200.00	1,569.05	61,209.46	58,793.08
May	2,388.00	1,952.00	63,036.12	61,002.17
June	2,894.00	2,000.00	64,768.58	62,359.14
July	2,838.00	2,327.50	67,619.17	64,836.16
August	2,521.95	2,146.05	66,658.12	64,723.63
September	2,420.00	2,190.00	67,927.23	64,818.37
October	2,600.00	1,980.00	66,592.16	63,092.98
November	2,598.70	2,000.00	67,069.89	63,550.46
December	2,577.00	2,050.00	72,484.34	67,149.07
2024				
Jan	2,761.50	2,127.00	73,427.59	70,001.60
Feb	2,670.45	1,948.10	73,413.93	70,809.84
Mar	2,439.00	2,060.00	74,245.17	71,674.42

F. Stock Performance (comparison of monthly High/Low) of price / index value:



* Sources www.bseindia.com

REPORT ON CORPORATE GOVERNANCE (Contd.)

G	In case the securities of the Company are suspended from trading, the reasons thereof	:	The Securities of the Company are not suspended from trading on the stock exchange.
H	Registrar and Transfer Agents:	:	Skyline Financial Services Private Limited, D-153/A, First Floor, Okhla Industrial Area, Phase-1, New Delhi – 110020 Phone no. :011-40450193-97 Email: info@skylinerta.com Website: www.skylinerta.com
I	Share Transfer System	:	Trading in Ordinary (Equity) Shares of the Company through recognized Stock Exchanges is permitted only in dematerialised form. Pursuant to Regulation 40 of Listing Regulations, no requests for effecting transfer of securities have been processed unless the securities are held in the dematerialised form with the depository with effect from 1 st April, 2019. However, this restriction shall not be applicable to request received for effecting transmission or transposition of physical shares. Further, SEBI has mandated that securities shall be issued only in dematerialized mode while processing duplicate/unclaimed suspense/renewal/exchange/endorsement/sub-division/consolidation/transmission/transposition service requests received from physical securities holders. SEBI has also mandated furnishing of PAN, contact details, bank account details and nomination by holders of physical securities. Further, the Shareholders holding shares in physical form may kindly note that SEBI, vide its various circulars has mandated that dividend and interest, if any, shall be paid only through electronic mode with effect from 1 st April, 2024. Hence the Shareholders are requested to update their details with Company/RTA by submitting ISR Forms which are available on website of the Company and RTA. The Shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience in future while transferring the shares.
J	Distribution of Shareholding	:	Distribution of shareholding of shares of the Company as on 31 st March, 2024 is as follows:

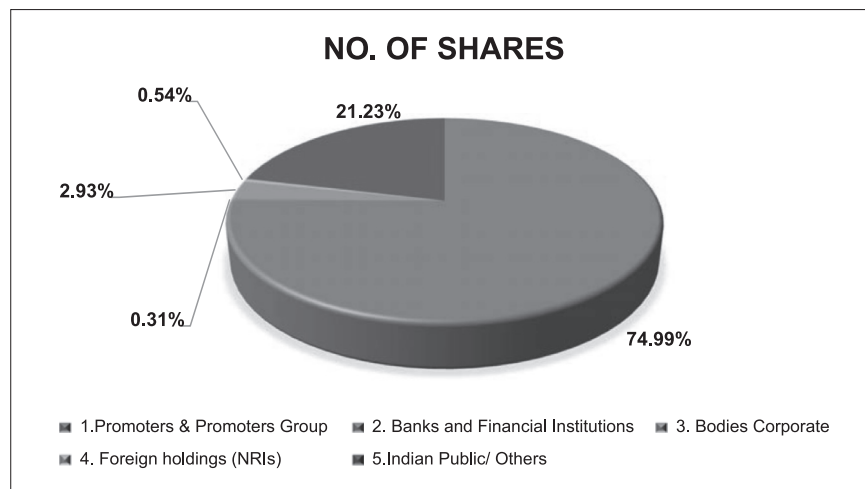
No. of Shares held	No. of Shareholders	% of Shareholders	Aggregate Shares held	% of Shareholding
1 – 500	1458	95.42	63381.00	4.39
501 – 1000	19	1.24	13411.00	0.93
1001 – 2000	14	0.92	21252.00	1.47
2001 – 3000	10	0.65	24785.00	1.72
3001 – 4000	2	0.13	6650.00	0.46
4001 – 5000	5	0.33	22712.00	1.57
5001 –10000	9	0.59	62906.00	4.36
10001 & above	11	0.72	1227788.00	85.09
Total	1528	100.00	1442885.00	100.00

REPORT ON CORPORATE GOVERNANCE (Contd.)

K The Shareholding Pattern as on 31st March, 2024.

Shares held by	No. of Shares	% of Shareholding
Promoters & Promoters Group	1082152	74.99
Public Shareholding		
Banks and Financial Institutions	4426	0.31
Bodies Corporate	42211	2.93
Foreign holdings (NRIs)	7802	0.54
Indian Public/ Others	306294	21.23
Total	1442885	100

L. Category wise Shareholding



M. Dematerialization & liquidity of shares

Trading in company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE799B01017. Investors are therefore advised to open a Demat account with a Depository participant of their choice to trade in dematerialized form.

Shares of the company are actively traded in BSE Limited. Hence the company's shares have good liquidity. The details of share in physical and dematerialized form are as given below:

Particulars	No. of Shares	% share capital
NSDL	569657	39.48
CDSL	862628	59.78
Physical	10600	0.73
TOTAL	1442885	99.99

N.	Outstanding Instruments and their impact on equity	:	The Company does not have any outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments as on 31 st March, 2024.
O.	Commodity Price Risk / Foreign Exchange Risk and Hedging activities	:	The Company has a mechanism to assess risk, periodically review it and ensure that steps are taken to mitigate the risks. The company does not undertake any commodity hedging activity. The company actively monitors the foreign exchange movements and take steps to cover risks.
P.	Plant and Warehouse Locations	:	Plot No. 321, 325/1386, Champajhara, P.O. Malipada, Distt.- Khurda-752108, (Odisha) Insulators & Electricals Company (Insulator Division) 1-8, New Industrial Area, P.B. No. 1, Mandideep-462045 (M.P)

REPORT ON CORPORATE GOVERNANCE (Contd.)

		Plot No. 1C, Brahamaputra Industrial Park, Village: Silla, P. O. College Nagar, North Guwahati, Distt. Kamrup – 781031 (Assam)						
		Industrial Area, P.O. Birla Nagar, Gwalior – 474004 (Madhya Pradesh)						
		Sy. No. 194, 195/1 & 196/1. Kannamangala village, Bidarahalli Hobli, Bangalore East Taluk, Bangalore- 560115						
		12 / 2, Milestone, Mathura Road, Faridabad-121003, Haryana						
Q. Address for Correspondence	:	Hindusthan Urban Infrastructure Limited, 7 th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110001 Tel: +91-11-23310001-05 Email: investors@hindusthan.co.in Website: www.hindusthanurban.com						
R. Credit Ratings	:	The company has not issued any debt instruments and does not have any fixed deposit programme or any scheme during the financial year ended 31.03.2024. During the year under review, the credit rating agency, Care Edge vide its letter No. CARE/ARO/RL/2023-24/1436 dated 24 th April, 2023 has revised the credit rating for the short term borrowing and long term borrowings as follows: <table border="1" data-bbox="716 825 1510 1041"> <thead> <tr> <th>Facilities</th> <th>Rating</th> </tr> </thead> <tbody> <tr> <td>Long Term Bank Facilities</td> <td>CARE BB; Stable (Double B; Outlook: Stable)</td> </tr> <tr> <td>Long Term / Short Term Bank Facilities</td> <td>CARE BB; Stable / CARE A4(Double B ; Outlook: Stable / A Four)</td> </tr> </tbody> </table>	Facilities	Rating	Long Term Bank Facilities	CARE BB; Stable (Double B; Outlook: Stable)	Long Term / Short Term Bank Facilities	CARE BB; Stable / CARE A4(Double B ; Outlook: Stable / A Four)
Facilities	Rating							
Long Term Bank Facilities	CARE BB; Stable (Double B; Outlook: Stable)							
Long Term / Short Term Bank Facilities	CARE BB; Stable / CARE A4(Double B ; Outlook: Stable / A Four)							
S. Transfer to the Investor Education and Protection Fund	:	<p>Pursuant to applicable provisions of the Companies Act, 2013 (Act) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (IEPF Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company.</p> <p>Further, as per Section 124(6) of the Act read with the Rules and subsequent amendments thereto, all the shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall also be transferred in favour of the Demat account of IEPF Authority.</p> <p>During the year under review, the Company sent individual notices, seeking action from the shareholders who have not claimed their dividends for 7 (seven) consecutive years or more. The Company has transferred to IEPF the following unclaimed dividends:</p> <table border="1" data-bbox="721 1633 1510 1719"> <thead> <tr> <th>Particulars</th> <th>Amount of Dividend</th> </tr> </thead> <tbody> <tr> <td>Final Dividend for the Financial Year 2015-16</td> <td>₹ 27,895</td> </tr> </tbody> </table> <p>The Company has also transferred 860 equity shares to the IEPF Authority pertaining to the FY 2015-16.</p> <p>During the financial year 2024–2025, the Company would be transferring unclaimed final dividend amount for the financial year ended 31st March, 2017 on or before 2nd December, 2024 to IEPF.</p>	Particulars	Amount of Dividend	Final Dividend for the Financial Year 2015-16	₹ 27,895		
Particulars	Amount of Dividend							
Final Dividend for the Financial Year 2015-16	₹ 27,895							

REPORT ON CORPORATE GOVERNANCE (Contd.)

T. Equity shares in the suspense account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2023	NA	NA
Shareholders who approached the Company for transfer of shares from suspense account during the year	NA	NA
Shareholders to whom shares were transferred from the suspense account during the year	NA	NA
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	NA	NA
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2024	NA	NA

15. OTHER DISCLOSURES

i. Related Party Transactions

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in notes of Standalone Financial Statements, forming part of the Annual Report.

All related party transactions entered during the financial year 2023-2024 were at an arm's length basis and in the ordinary course of business.

During the year under review, the Board of Directors has adopted the updated related party transaction policy in line with the amendments to the Listing Regulations, 2015. During the FY 2023-24, there were no material related party transactions in terms of Regulation 23 of the SEBI Listing Regulations, 2015.

The policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website at www.hindusthanurban.com. The Register under Section 189 of the Companies Act, 2013 is maintained and particulars of the transactions have been entered in the Register, as applicable.

The details of remuneration paid to the employee of the Company, who is a relative of Director as on 31st March, 2024 is as under:

Name of employee	Nature of relationship with Director(s)	Remuneration (Amount in ₹)
Mrs. Sanchita Mody, Advisor – Corporate Planning	Relative (Mother) of Mr. Raghavendra Anant Mody, Chairman & Whole-time Director	89,70,603

In terms of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment and remuneration payable to the aforesaid is approved by the Audit Committee and noted by the Board of Directors of the Company and is at arm's length and in ordinary course of business of the Company.

ii. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None

iii. Vigil Mechanism and Whistle Blower Policy

The Company has adopted a Whistle Blower Policy as per the provisions of the Companies Act, 2013 and as required by the Listing Regulations, 2015. The Whistle Blower Policy is also hosted on the website of the Company at www.hindusthanurban.com. The Whistle-blower Policy has an established reporting mechanism for Stakeholders to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Code, including insider trading violations and reporting instances of leak of Unpublished Price Sensitive Information by the employees. Under the Vigil Mechanism, the employees are encouraged to voice their concerns and all stakeholders and associates have been provided access to the Audit Committee through the Chairperson. No personnel have been denied access to the Audit Committee. The Policy provides adequate safeguards against victimization of persons who use the mechanism.

REPORT ON CORPORATE GOVERNANCE (Contd.)

iv. Disclosure of commodity price risks or foreign exchange risk and hedging activities:

Commodities are a large part of raw materials procured and consumed by the Company. Your Company has a robust framework and governance mechanism to ensure that it is sufficiently protected from market volatilities. Your Company manages foreign exchange risk with appropriate hedging activities consistent with the policies of the Company. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks in the context of the Company's imports and exports. The details of foreign exchange exposures as on 31st March, 2024 are disclosed in the Notes to the Standalone financial statements.

v. Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations.

The Company has not raised funds through preferential allotment or qualified institutional placement.

vi. Certificate from Practicing Company Secretary

The Company has obtained a certificate from Mr. Pankaj Kumar, proprietor of M/s. Pankaj Kumar & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

vii. Recommendations of Committees of the Board

There were no instances during the financial year 2023-24, wherein the Board had not accepted recommendations made by any committee of the Board.

viii. Total fees paid to Statutory Auditors of the Company

M/s. K.N. Gutgutia & Company, Chartered Accountants (Firm Registration No.304153 E) has been appointed as the Statutory Auditors of the Company. M. L. Garg & Co. (FRN: 001604N) has been appointed as the Statutory Auditors of the subsidiary company, Hindusthan Speciality Chemicals Limited. The particulars of payment of fees to the Statutory Auditors on consolidated basis for the FY 2023-24 are given below:

Particulars	Consolidated Fee
Services as statutory auditor	4,00,000
Tax Audit	50,000
Services for tax matters	-
Other matters	61,000
Re-imburement of out-of- pocket expenses	8,437
Total	5,19,437

ix. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2023-24 are as under:

- Number of complaints filed during the financial year: Nil
- Number of complaints disposed of during the financial year: Nil
- Number of complaints pending as on end of the financial year: Nil

x. Risk Management

The Audit Committee reviews key risks affecting the Company and mitigation measures thereof.

xi. Code of Conduct

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Board of Directors and Senior Management personnel. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct. The Code of Conduct for the Board Members of the Company also includes Code for Independent Directors which is a guide to professional conduct for Independent Directors, pursuant to section 149(8) and Schedule IV of the Act. It gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put up on the Company's website and can be accessed at www.hindusthanurban.com. The Code has been circulated to Directors and Management Personnel and its compliance is affirmed by them annually.

REPORT ON CORPORATE GOVERNANCE (Contd.)

A declaration to this effect signed by Mr. Deepak Kejriwal, Managing Director of the company forms part of this Report. In accordance with the provisions of Regulation 26 (6) of the Listing Regulations, the employee including a Key Managerial Personnel, Director(s) and Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

xii. Accounting Treatment

The Financial Statements of the Company for FY 2023-24 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rules made thereunder.

xiii. CEO/ CFO Certification

Mr. Deepak Kejriwal, Managing Director and Mr. Vishal Pachisia, Chief Financial Officer have provided Compliance Certificate to the Board in accordance with Regulation 17 (8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015 for the financial year ended 31.03.2024 and quarterly certification on financial results while placing the financial results before the Board and Audit Committee in terms of Regulation 33(2) of the Listing Regulations.

xiv. Compliance Reports

The Board has reviewed the compliance reports pertaining to the laws applicable to the Company at its meetings on quarterly basis.

xv. Audit of Reconciliation of Share Capital:

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. The Audit report is also submitted to the Stock Exchange.

xvi. Corporate Identification Number (CIN): L31300DL1959PLC003141.

xvii. Information flow to the Board Members

As required under Regulation 17(7), Part A of Schedule II of SEBI Listing Regulations, 2015, information is provided to the Board members for their information, review, inputs and approval from time to time.

xviii. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations).

The Code of Conduct to Regulate, Monitor and Report trading by Designated Persons, Code of Fair Disclosure & Conduct have been uploaded on website of the Company at www.hindusthanurban.com.

The Audit Committee review cases of non-compliances, if any, and makes necessary recommendations w.r.t. action taken against such defaulters.

xix. Website

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations. Detailed information on the Company's business and products, quarterly/half yearly/nine months and annual financial results are displayed on the Company's website and can be accessed at www.hindusthanurban.com.

xx. Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A of the Listing Regulations, directed listed entities to obtain Annual Secretarial compliance Report from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchange within 60 days of the end of the financial year.

The Company has engaged the services of Mr. Manish Kumar Agrawal, Proprietor of M/s. Agrawal Manish Kumar & Co., Company Secretaries for providing the Secretarial Compliance Report.

xxi. Compliance with Corporate Governance requirements

The Company has complied with all mandatory requirements of Listing Regulations, 2015 relating to Corporate Governance.

REPORT ON CORPORATE GOVERNANCE (Contd.)

xxii. Compliance with mandatory requirements

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015.

xxiii. Loans and advances in the nature of loans to firms/companies in which directors are interested

The aforesaid details are given in the Notes to the financial statements.

xxiv. Compliance with Non-Mandatory Requirements

1. During the year under review, there is no audit qualification on the Company's Standalone and Consolidated Financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
2. The Internal Auditors of the Company directly reports to the Audit Committee which oversees the internal audit functions.

xxv. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub- regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance Status (Yes/ No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to independent directors	Yes
26	Obligation with respect to employees including Senior Management, key managerial personnel, directors and promoters	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Functional Website	Yes

xxvi. Separate post of Chairman and CEO:

The Company has separate Chairman and Managing Director.

xxvii. Green Initiative

Pursuant to section 101 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 as amended, the Company may send Notice of Annual General Meeting, financial statements and other Communication in electronic form. This Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Standalone & Consolidated Financial Statements, Directors' Report, Auditors Report along with their annexure etc. for the financial year 2023-24 in the electronic mode to the shareholders who have registered their e-mail ids with the Company and/or their respective Depository Participates (DPs). Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company's Registrar and Share Transfer Agent "Skyline Financial Services Private Limited".

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Hindusthan Urban Infrastructure Limited

1. We, **K.N.GUTGUTIA & CO., CHARTERED ACCOUNTANTS**, the Statutory Auditors of **HINDUSTHAN URBAN INFRASTRUCTURE LIMITED** (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2024, 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 Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

2. 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 conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. 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.
4. We have examined relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), and 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.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. 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 31st March, 2024.
7. 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. N. Gutgutia & Co.,
Chartered Accountants
FRN 304153E**

**Sd/-
(B. R. GOYAL)
Partner**

**Place : New Delhi
Date : 10th August, 2024**

**M. No. 12172
UDIN: 24012172BKAANU4054**

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

In accordance with the provisions of Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March, 2024.

For Hindusthan Urban Infrastructure Limited

Place: New Delhi
Date: 28th May, 2024

Sd/-
(Deepak Kejriwal)
Managing Director

COMPLIANCE CERTIFICATE BY CEO/MD AND CFO

To,
The Board of Directors,
Hindusthan Urban Infrastructure Limited

**Sub: CEO/MD and CFO certification under Regulation 17 (8) of the SEBI
(Listing Obligations & Disclosure Requirements) Regulations, 2015**

We, Deepak Kejriwal, Managing Director and Vishal Pachisia, Chief Financial Officer of the Company, certify to the Board that:

- 1) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2024 and that to the best of our knowledge and belief:
 - (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 a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We have indicated to the Auditors and the Audit Committee:
 - (i) That there are no significant changes in internal control over financial reporting during the year;
 - (ii) That there are no significant changes in accounting policies during the year; and
 - (iii) That there are no instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Date : 28.05.2024

Sd/-
(Deepak Kejriwal)
Managing Director

Sd/-
(Vishal Pachisia)
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members
Hindusthan Urban Infrastructure Limited
CIN: - L31300DL1959PLC003141
7th Floor, Kanchenjunga Building,
18, Barakhamba Road,
New Delhi - 110001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hindusthan Urban Infrastructure Limited having CIN- L31300DL1959PLC003141 and having registered office at 7th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, i hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name	DIN	Date of Appointment
1	Raghavendra Anant Mody	03158072	31/08/2017
2	Shyam Sunder Bhuwania	00107171	04/02/1975
3	Deepak Kejriwal	07442554	01/12/2018
4	Ratan Lal Nangalia	07268034	10/08/2023
5	Sadhu Ram Bansal	06471984	13/08/2018
6	Deepika Agrawal	09395834	13/11/2021

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

For Pankaj Kumar & Associates
Company Secretaries

Sd/-
Pankaj Kumar
Proprietor
C.P. No. 10148
FCS No. 6183
UDIN: F006183F001034507
PR: 1018/2020

Place: Gurugram
Date: 23/08/2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Annual Overview

The Global Economy has witnessed an unprecedented set-back with ongoing geopolitical tensions, supply chain disruptions. Due to geopolitical conflicts especially the trade war between US & China, global trade was negatively impacted and inflationary pressures worsened. To control inflation, interest rates are raised by the Central Banks across the world, including the US Federal Reserve but still most of the countries of Globe are showing negative growth and world wide recession chances are becoming possible.

During the FY 2023-24, Indian economy continues to be one of the robust and fastest growing major economies in the world, outpacing major emerging and developing economies, including Europe & China. India is also expected to become the fastest growing economy in the world in FY 2024-25. Indian GDP growth is estimated at 6.9% in FY 2023-24 and 6.6% in FY 2024-25 by the World Bank. According to the first advance estimates by the National Statistical Office (NSO), India's economic growth estimated to grow 9.6% for FY 2023-24 lower than the 14.2% witnessed in FY 2022-2023 wherein growing demand led to a boost in growth.

The impact of growth of GDP and better performance by Indian Economy compared to rest of the world has impacted positively across the industrial sectors.

1. Industry Structure and Developments

The Indian Power sector is one of the most diversified in the world and is anticipated to register sound revenue in coming years on the back of rising Government commitment towards providing electricity access in the rural areas.

According to Govt. of India-Ministry of Power, the electricity generation target (Including RE) for the year 2024-25 has been fixed as 1900 billion Unit (BU). i.e., growth of around 9.3% over actual generation of 1738.828 BU for the previous year (2023-24). The generation during 2023-24 was 1738.828 BU as compared to 1624.456 BU generated during 2022-23, representing a growth of about 7.04%.

During the year, electricity consumption continued to rise because of the industrial and other economic growth of India. The costs also increased, largely due to natural gas prices more than doubling due to global shortages, exacerbated by rising geopolitical tensions. Coal prices also rose as demand surged for alternatives to gas. Renewable energy prices followed suit due to supply chain disruptions, inflation, and rising interest rates. Despite these challenges, company had used Clean Energy of 35.57% of total power consumed due to that company had saved Rs 67.09 Lakhs as new opportunities to achieve its goals.

2. Opportunities & Threats

India's electricity sector is likely to register an increase in power demand by 9% in 2024-25 as compared to 2023-24 and retain plant load factor (PLF) to 68-70% for the whole financial year 2024-25. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country.

There are opportunities for more Porcelain Insulators sales due to increasing investment toward the modernization of aging grid infrastructure along with rapid urbanization, target of 100% electrification of Indian Railways in 2024-25 with a dedicated budget of ₹ 6,500 Crores which will drive the Indian electric insulators market. We are also roping in new buyers not only in the domestic market but also in international markets. Indian transmission electric insulators market is anticipated a CAGR of 5% during 2025-2032.

At the same time, the competitive intensity is increasing at both the market and supply sides. A further threat of elimination of Anti-Dumping Duty on import of insulators from China may adversely impact the domestic insulators market.

3. Segment-wise or Product-wise Performance

During the year revenue from operations of Insulator division has increased by 0.40% from ₹ 211.00 Crores in FY 2022-23 to ₹ 211.85 Crores in FY 2023-24 whereas profit before interest and tax has grown by 53.47% from ₹ 1.50 Crores in FY 2022-23 to ₹ 3.22 Crores in FY 2023-24.

During the year revenue from operations of conductor division has increased by 69.83% from ₹ 3.84 Crores to ₹ 12.73 Crores in FY 2023-24 as a result Company has earned a profit before interest and tax of ₹ 0.96 Crores as Compared to profit of ₹ 0.81 Crores in previous financial year.

During the year revenue from segment of "Real Estate" has increased by 20.81% from ₹ 7.08 Crores in FY 2022-23 to ₹ 8.94 Crores in FY 2023-24 as a result Company has earned a profit before interest and tax of ₹ 5.15 Crores as Compared to profit of ₹ 4.63 Crores in previous financial year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

4. Future Outlook

India is the world's third largest power consumer and producer with installed power capacity of 446.20 GW. National Electricity plan target 482.47 GW of generation capacity, including 243 GW of thermal and 203 GW of renewable capacity as per Neeti Aayog data.

As per the Central Electricity Authority (CEA) estimates, by 2029-30 the share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%.

Increasing investments in smart grid projects and growing demand for HVDC transmission projects will also lead to opening up of fresh increased opportunities in the electric insulator market.

As per CEA report it has been estimated that 50,890 ckt. Km & 433,575 MVA is the additional requirement of transmission lines & sub-station capacity respectively, planned under ISTS for integrating additional wind & solar capacity by 2030 with a total cost of ₹ 281 billion & ₹ 2.161 trillion respectively.

Growing population along with increasing electrification and per capita uses will provide further impetus. Demand growth for Conductor and Insulator industry is being driven by power generation, transmission and distribution activities.

Power demand is expected to grow at 5 % CAGR in FY 2024-25 driven by high latent demand, rapid urbanization and increasing electricity access. The Government has undertaken programs to provide 24x7 power to all villages and households leading to increase in power demand.

From this perspective, the Company has been obtaining approval from the good reputed government Utilities (i.e., RRVPNL, JUSNL, DVC, APTRANSCO and PGCIL) to supply the insulators like Disc, Solid core Post & Hollow insulators which helps to increase market shares in domestic market.

Apart from above company has introduced its newly developed product i.e., Porcelain Long rod Insulator for which company has obtained the approval from 2 of the prominent utilities viz. MSETCL and OPTCL to supply the same. Approx. ₹ 7.50 Cr. worth of orders have already been executed to MSETCL in the last F.Y. Further approvals are also under process with good reputed companies which in turn would further add up to the volumes.

On the international market front, close watch is being maintained on the current fluid geo political situations to chalk out strategies in order to avoid a repeat of the issues faced during the Russia - Ukraine war. Taking advantage of the current strained relations between US & China, the company has increased its focus on the US market and trying to tap and encash this opportunity. Focusing on South East Asian countries such as Vietnam, Malaysia, and the Philippines for new and potential opportunities in the Transmission Line sector is a strategic move with significant potential.

5. Risk and Concerns

Increasing competition in the domestic market, may put pressure on the profitability of the Company. Delays in orders from state DISCOMS and power utilities may impact performance for both the segments. Sharp increase in raw material cost and power & fuel cost could as well lead to increase in cost of finished products.

The cyclical nature of the power business has an obvious impact on our performance. Project delays from customers' side may have an additional impact. Further, removing of anti-dumping duty on import of insulators from China may further adversely impact on overall growth of Indian insulator business.

6. Internal control systems and their adequacy

The company is having adequate internal control systems and procedures commensurate with the size of the company which facilitates orderly and efficient conduct of its business including adherence to Company's policies. The Company continues to have its focus on enhancing revenue growth. Various actions in terms of cost reduction, value engineering, competitive sourcing and improving credit discipline have been undertaken. There has been a significant progress in the industry. The internal control system ensures compliance with applicable laws & regulations.

The Audit Committee is regularly reviewing the Internal Audit Reports for the audit carried out in all the key areas of the operations. All Internal Audit Reports are regularly placed before the Audit Committee for their approval and appropriate actions are advised, wherever required.

7. Human Resources/Industrial Relations

The Company promotes an open and transparent working environment to enhance teamwork and build business focus. It is the company's belief that the Human Resource is the key driving force towards progress and success of a Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

In order to bring focus in HR Systems, Company has implemented system and procedures in HR system in line with the industry standards. The company seeks to motivate and retain its professionals by offering reasonable compensation and opportunity to grow in the organization by systematic training for employees and with career and succession plans in place. The industrial relations in all Works remained cordial during the year.

8. Financial/ Operational performance

Covered under the separate head of the Board's Report.

9. Cautionary Statement

This report to the Shareholders is in compliance with the Corporate Governance Standard incorporated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and as such cannot be construed as holding out for any forecast, projection, expectation, invitation, offer, etc. within the meaning of applicable Securities' Laws and Regulations.

Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to Company's operations include domestic and international economic conditions affecting demand, supply and price conditions, changes in government regulations, tax regimes and other statutes. Readers are cautioned not to place undue reliance on the forward-looking statements.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 10th August, 2024

Sd/-
Raghavendra Anant Mody
Chairman
DIN: 03158072

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

I. Report on the Audit of Standalone Financial Statements for the year ended 31st March 2024

1. Opinion

- A. We have audited the Standalone Financial Statements of **Hindusthan Urban Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, 2024, and its **Loss**, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone 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 that there are no key audit matters to be communicated in our report.

4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

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

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

- B. 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 Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of companies Act, 2013. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the Standalone 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the standalone 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.
 - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv) 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. 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.
- D. 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.
- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our audit 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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”.
- (B) 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 Standalone Financial Statements. Refer notes 31 to the standalone financial statements.
 - ii) The Company has made provision, as required under the applicable law or Ind-AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring the 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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (d) The Company has neither declared nor paid any dividend during the year
 - (e) Based on our examination which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
3. 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:

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.

**FOR K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN 304153E**

**Sd/-
(B.R. GOYAL)
PARTNER
M. NO. 12172**

**PLACE : NEW DELHI
DATE : 28.05.2024**

UDIN: 24012172BJZZDO8217

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE "A" TO THE INDEPNEDNT AUDITOR'S REPORT

(Referred to in paragraph II point 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Hindusthan Urban Infrastructure Limited of even date)

- i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years in a phased manner. In accordance with this program a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The inventories have been physically verified during the year lying at various factory sites by the management at reasonable intervals. In our opinion, no material discrepancies were noticed on physical verification of stocks.
- (b) The Company has been sanctioned working capital limits in excess of 5 crore, in aggregate, during the year, from banks on the basis of security of current assets and we found the quarterly statements filed by the company with such banks are in agreement with the books of account of the company.
- iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships or any other parties, during the year and not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, during the year, in respect of which:
- (a) The Company has granted unsecured loan to its subsidiary company and provided corporate guarantee on behalf of its subsidiaries, details are as follows:

Particulars	Amount (₹ In Lakhs)
Loan Provided during the year	487.00
Balance Outstanding at Balance Sheet Date	4,375.66
Guarantees Provided during the year	-
Guarantees on behalf of its subsidiaries	20,802.00

- (b) In our opinion, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (c) In respect of loans granted by the Company the schedule of repayment of principal and payment of interest has not been stipulated.
The borrower (i.e. subsidiary) has not made payment of interest to the company as the lender bank to the subsidiary company has stipulated that the company will not make payment of interest to the holding company till the borrowing company achieve profitability and also terms for payment for interest between holding company and subsidiary company.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (f) The Company has granted loans, in the nature of loans repayable on demand or without specifying any terms or period of repayment, details are as follows:

Particulars	Amount (₹ In Lakhs)
Aggregate amount of Loan granted to Promoters, Related Parties during the year	487.00

- iv) The company has complied with the provisions of section 185 and 186 of the Act in respect of Investment made, Loans granted, and securities provided, as applicable.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits. and hence paragraph 3(v) of the Order is not applicable to the Company.
- vi) Pursuant to the rules made by the central government of India, the company is required to maintain cost records as specified under section 148(1) of the act in respect of its products. We have broadly reviewed the same, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii) In respect of statutory dues:
- (a) According to the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Custom, Duty of Excise, Cess and other statutory dues wherever applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Duty of Customs, Goods and Service Tax, Cess and other material statutory dues were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

- (b) According to the records and information and explanations given to us and the records of the company examined by us, dues of Income Tax, Sales Tax Service Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues which have not been deposited on account of disputes are as follows:

Name of the Statute	Nature of dues	Amount (in ₹) (net of amount paid)	Year to which the amount relates (FY)	Forum where dispute is pending
Central Sales Tax Act, 1956 & Sales Tax/Vat Act of Various States	Sales Tax, Haryana	17,20,197	2004-05	Sales Tax Tribunal, Chandigarh
	Sales Tax, U.P.	4,88,619	1995-96	Hon'ble High Court, Allahabad. Remanded to Assistant Commissioner (Assessment), Ghaziabad.
		9,25,200	2000-01	Hon'ble High Court, Allahabad
	Sales Tax, Gwalior	17,56,162	2015-16	Appeal filed before Commissioner of VAT, Gwalior
	Central Excise, Khurda	19,99,629	2014-15	Appeal filed with Commissioner (Appeals), GST & Central Excise against order of Commissioner (Audit)-GST & Central Excise
	VAT, Khurda	24,30,044	2016-17	Appeal filed before STO CT & GST CIRCLE.
	VAT, Khurda	2,86,973	2017-18	
Central Sale Tax, Khurda	73,60,288	2017-18		
Madhya Pradesh Commercial Tax	Central Sales Tax	68,22,651	2014-15	Office of the Appellate Authority Commercial Tax-Bhopal, MP
		1,20,40,978	2015-16	
		72,40,056	2016-17	
		6,81,838	2017-18	

INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the Statute	Nature of dues	Amount (in ₹) (net of amount paid)	Year to which the amount relates (FY)	Forum where dispute is pending
Central Excise	Central Excise, Guwahati	15,90,385	2012-13 & 2013-14	CESTAT, Kolkata
		25,67,144	2014-15	
GST Act	GST, Bhopal	1,48,84,505	2017-18 & 2018-19	Appeal filed with Commissioner (Appeals), GST & Central Excise
	GST, Khurda	15,50,638	2017-18	Appeal filed with Commissioner (Appeals), GST & Central Excise
	GST, Guwahati	2,63,069	2017-18 & 2018-19	Appeal filed with Commissioner (Appeals), GST & Central Excise
	GST, Guwahati	1,95,17,052	2018-19, 2019-20, 2020-21 & 2021-22	

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) Based on our audit procedures and according to the information given by the management, the company has not defaulted on repayment in respect of any loans or borrowings from any financial institution, bank, government.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) Based on our audit procedures and according to the information given by the management, the term loans were applied for the purpose for which the loans were obtained and not for any other purpose.
- (d) On an overall examination of the financial statements of the Company, funds raised on a short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x) (a) The Company has not raised any money by way of any initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As per the information and explanations given by the management of the company, no whistle blower complaints received by the Company during the year (and up to the date of this report), hence 3 (xi)(c) of the Order is not applicable to the Company.
- xii) The Company is not a Nidhi Company and hence 3 (xii) of the Order is not applicable to the Company.
- xiii) As per the information and explanations and records made available by the management of the company and audit procedure performed, for the related party's transaction entered during the year, the company has complied with the provisions of sec 177 and 188 of the act, wherever applicable. As explained, as per records and details made available to us such related party's transactions have been disclosed in note no. 34 of standalone financial statements as required by the applicable Ind-AS.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transaction with the Director or person connected with him. Hence paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) In our opinion, The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and hence paragraph 3 (xvi) of the Order is not applicable to the Company.
- In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company cash profit during the financial year covered by our audit and incurred cash losses of ₹ 511.02 Lacs in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) Provisions of Section 135 (Corporate Social Responsibility (CSR)) of the Companies Act, is not applicable to the company for the current year. Hence, reporting under clause 3(xx) of the Order is not applicable.

**FOR K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN 304153E**

**Sd/-
(B.R. GOYAL)
PARTNER
M. NO. 12172**

**PLACE : NEW DELHI
DATE : 28.05.2024**

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE "B" TO THE INDEPENDEDNT AUDITOR'S REPORT

(Referred to in paragraph II point 2 A (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Hindusthan Urban Infrastructure Limited of even date)

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

Opinion

We have audited the internal financial controls over financial reporting of **Hindusthan Urban Infrastructure Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 (the "Guidance Note"). 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

**FOR K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN 304153E**

**Sd/-
(B.R. GOYAL)
PARTNER
M. NO. 12172**

**PLACE : NEW DELHI
DATE : 28.05.2024**

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
1. Non - current assets			
(a) Property, Plant and Equipment	2	10,543.50	14,642.69
(b) Capital work - in - progress	3	113.46	83.41
(c) Investment Properties	4	22,095.80	22,167.41
(d) Other Intangible assets	5(a)	12.53	13.29
(e) Intangible assets under development	5(b)	-	44.31
(f) Financial assets			
(i) Investment	6	8,807.19	8,459.31
(ii) Loans	10	4,375.66	4,384.00
(iii) Other Financial Assets	11	2,415.06	1,860.11
(g) Other non - current assets	13	1,117.94	890.96
Total non - current assets		49,481.15	52,545.50
2. Current assets			
(a) Inventories	7	10,664.83	11,398.22
(b) Financial assets			
(i) Trade receivables	8	6,109.39	6,858.39
(ii) Cash and cash equivalents	9(I)	134.63	124.95
(iii) Other bank balances	9(II)	117.21	306.55
(iv) Loans	10	-	6.58
(v) Other Financial Assets	11	51.76	17.73
(c) Current Tax Assets (Net)	12	264.35	229.78
(d) Other Current Assets	13	1,269.79	623.34
Total current assets		18,611.96	19,565.54
3. Assets held for sale and discontinued operations	48	3,547.22	-
Total Assets		71,640.33	72,111.03
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity share capital	14	144.29	144.29
(b) Other equity		43,093.21	43,384.56
Total equity		43,237.50	43,528.84
2. LIABILITIES			
(A) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	4,162.94	4,677.18
(ii) Other financial liabilities	17	106.40	183.25
(b) Provisions	18	416.02	439.77
(c) Deferred tax liabilities (net)	19	5,282.90	6,034.99
(d) Other Non-current liabilities	20	417.02	75.01
Total non - current liabilities		10,385.29	11,410.21
(B) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	11,414.18	11,427.68
(ia) Lease Liabilities			
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	16	400.77	36.76
(b) total outstanding dues of creditors other than (ii) (a) above	16	3,541.60	3,795.74
(iii) Other financial liabilities	17	899.30	1,101.12
(b) Other current liabilities	20	1,470.32	533.96
(c) Provisions	18	291.37	276.72
Total current liabilities		18,017.54	17,171.98
Total Equity & Liabilities		71,640.33	72,111.03
Material accounting policies	1		
Notes to the financial statements	2-53		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 28th May, 2024

**For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Deepak Kejriwal
(DIN : 07442554)
Managing Director

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

M.L.Birmiwala
President-Finance &
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)			
Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	21	23,351.85	22,159.02
II Other income	22	795.94	1,217.93
III Total income (I + II)		24,147.78	23,376.95
IV Expenses :			
Cost of Materials Consumed	23	8,283.23	9,354.30
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	391.68	(1,984.84)
Employee benefits expense	25	2,067.18	1,991.27
Finance costs	26	1,982.10	1,988.12
Depreciation and amortization expense	27	1,145.52	1,148.76
Other expenses	28	11,326.10	12,459.19
Total expenses		25,195.81	24,956.80
V Profit/(Loss) before exceptional items and tax (III - IV)		(1,048.02)	(1,579.85)
VI Exceptional items	30	-	-
VII Profit/(Loss) before tax (V-VI)		(1,048.02)	(1,579.85)
VIII Tax expense/(benefit)			
(1) Current tax			
(2) Deferred tax		(753.70)	(536.61)
- Tax adjustment of earlier years		-	14.73
- Minimum Alternate Tax (Credit) Entitlement		-	-
		(753.70)	(521.88)
IX Profit / (Loss) for the year (VII - VIII)		(294.33)	(1,057.97)
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	29	4.59	10.77
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.60)	(3.76)
Total Other Comprehensive Income for the year		2.98	7.01
XI Total Comprehensive Income for the year (IX + X)		(291.34)	(1,050.96)
XII Earnings per equity share:			
(1) Basic		(20.40)	(73.32)
(2) Diluted		(20.40)	(73.32)
Material accounting policies	1		
Notes to the financial statements	2-53		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

**For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd**

(B. R. Goyal)
Partner
Membership No: 12172

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Deepak Kejriwal
(DIN : 07442554)
Managing Director

Place: New Delhi
Date : 28th May, 2024

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

M.L.Birmiwala
President-Finance &
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) Before Tax	(1,048.02)	(1,579.85)
Adjustments for :		
Depreciation & amortisation expense	1,145.52	1,148.76
Unrealised Foreign Exchange Fluctuation Loss/(Gain)	(12.85)	8.60
Finance Cost	1,982.10	1,988.12
Provision for Allowance for Doubtful Debts / Bad Debts W/off	-	111.71
Liability/Sundry Balance Written back	(171.95)	(109.66)
Other non- operating Income	-	1.70
Re-measurement of defined benefit plans transferred to OCI	4.59	10.77
Rental Income	(893.87)	(707.83)
Interest Income	(531.49)	(529.56)
Profit on Sale of Property, Plant & Equipment	(68.05)	(461.26)
Deferred Government Grant transferred	-	(42.64)
Operating Profit Before Working Capital Changes	405.97	(161.13)
Adjustments for:		
(Increase)/Decrease in Trade Receivables	761.85	3,073.70
(Increase)/Decrease in Loans & Other Assets	(1,447.51)	498.96
(Increase)/Decrease in Inventories	436.33	(1,453.27)
Increase/(Decrease) in Trade Payable, Provisions & Other Liabilities	1,272.42	158.11
Cash Generated from Operations	1,429.06	2,116.37
Direct Tax Paid (net of refund)	34.57	2.40
Net Cash Inflow /(Outflow) from Operating Activities	1,394.49	2,113.97
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition / Purchase of PPE & Other Intangible Assets	(222.25)	(1,002.55)
Sale Proceeds of Property, Plant & Equipment (PPE)	80.45	584.46
Purchase of Investment Property	-	(48.13)
Purchase of Investment	(347.88)	0.00
Interest Income Received	531.49	116.49
(Investment)/Redemption in Term Deposit with bank as margin money	189.34	176.79
Rental Income	893.87	695.81
Net Cash Inflow /(Outflow) from Investing Activities	1,125.03	522.88
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From / (Repayment) of Short Term Borrowings (net)	(1,503.50)	(1,266.52)
Loan taken from /(repaid to) Related parties	1,490.00	975.00
Proceeds from /(Repayment) of Long term Borrowings	(514.24)	(910.23)
Finance Cost Paid	(1,982.10)	(1,653.31)
Net Cash Inflow /(Outflow) from Financing Activities	(2,509.84)	(2,855.06)
Net Increase/ (Decrease) in cash & cash equivalents	9.68	(218.21)
Cash & cash equivalents at Beginning of the Year	124.95	343.16
Cash & cash equivalents at End of the Year	134.63	124.95
Components of cash & cash equivalents:		
- Balance with Banks : On current accounts	21.55	13.95
- Cash on hand	4.37	6.02
- Term Deposits with Banks (with maturity of less than 3 months)	108.71	104.98
	134.63	124.95

1) The above cash flow has been prepared under the "Indirect Method" as set out in Ind AS-7 : Statement of Cash Flows

2) Acquisition/Purchase of Property, Plant & Equipment includes movement of capital work in progress, Intangible assets and capital advances & capital payable, paid during the year.

Material accounting policies

Notes to the financial statements

1
2-53

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 28th May, 2024

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Deepak Kejriwal
(DIN : 07442554)
Managing Director

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

M.L.Birmiwala
President-Finance &
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

A Equity Share Capital

Particulars	Issued		Subscribed & fully paid up	
	No of Shares	Amount	No of Shares	Amount
Equity shares of Rs 10 each				
As at March 31, 2023	1443000	144.30	1443000	144.30
As at March 31, 2024	1443000	144.30	1443000	144.30

B Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Equity Component of	Total
	Capital Redemption Reserve	General Reserve	Surplus/ (Deficit)	Remeasurement of Defined Benefit Plans	Redeemable Preference Share Capital (Net of Taxes)	
Balance as at 01.04.2022 (A)	26.44	39,538.21	90.84	(68.35)	4,848.37	44,435.51
Profit for the year	-	-	(1,057.97)	-	-	(1,057.97)
Items of OCI for the year ended, net of tax- Remeasurement benefit of defined benefit plans	-	-	-	7.01	-	7.01
Total Comprehensive Income for the year 2022-23 (B)	-	-	(1,057.97)	7.01	-	(1,050.96)
Increase / Reductions during the year	-	-	-	-	-	-
Total (C)	-	-	-	-	-	-
Balance as at 31.03.2023 (A)+(B)+(C) (D)	26.44	39,538.21	(967.13)	(61.34)	4,848.37	43,384.56
Profit for the year	-	-	(294.33)	-	-	(294.33)
Items of OCI for the year ended, net of tax- Remeasurement benefit of defined benefit plans	-	-	-	2.98	-	2.98
Total Comprehensive Income for the year 2023-24 (E)	-	-	(294.33)	2.98	-	(291.34)
Transferred to / (from) - Surplus / (Deficit)	-	-	-	-	-	-
Transferred to / (from) - Revaluation Reserve	-	-	-	-	-	-
Total (F)	-	-	-	-	-	-
Balance as at 31.03.2024 (D)+(E)+(F) (G)	26.44	39,538.21	(1,261.45)	(58.36)	4,848.37	43,093.21

Material accounting policies

1

Notes to the financial statements

2-53

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date
For **K. N. Gutgutia & Company**

Chartered Accountants
FRN: 304153E

(B. R. Goyal)

Partner
Membership No: 12172

Place: New Delhi
Date : 28th May, 2024

For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

Deepak Kejriwal
(DIN : 07442554)
Managing Director

M.L.Birmiwala
President-Finance &
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

COMPANY INFORMATION

Hindusthan Urban Infrastructure Limited (the 'Company') is a public limited Company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is located at 'Kanchenjunga' (7th Floor), 18, Barakhamba Road, New Delhi, India. The Company is listed on the Bombay Stock Exchange (BSE).

The Company is engaged mainly in the business of manufacturing & selling of electrical conductors, insulator products and also engaged in real-estate activity of renting out property.

These financial statements were authorized for issue in accordance with a resolution of the directors on dated 28th May, 2024.

1. MATERIAL ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

(i) Statement of compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(ii) Historical cost convention

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(iii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated

1.2 Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Defined benefit obligation

The costs of providing post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 33, 'Employee benefits'.

c. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using prudent valuation techniques, which involve various judgements and assumptions.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

d. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions/deferred tax liability/assets.

1.3 Current & non-current classification:

The assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after reporting date; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

1.4 Property, Plant and Equipment and Intangible Assets

(i) Property, Plant and Equipment

Property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, and any directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure incurred on start-up and commissioning of the project and/or substantial expansion, including the expenditure up to the date of commencement of commercial production are capitalised. Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(ii) Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances paid towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

(iii) Intangible Assets

• Acquired Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

• Internally generated intangible assets

Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iv) Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(v) Depreciation and Amortization

• Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method as per the useful lives and in the manner prescribed under Part C of Schedule II of the Companies Act, 2013.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

On increase in value due to revaluation on the basis of remaining useful life as estimated by the valuer, the corresponding amount is directly transferred to General Reserve from Revaluation Reserve.

• Amortisation

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

The estimated useful life of intangible assets like Product development, Software systems etc. has been estimated as five years.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

1.5 Impairment

The Company assesses at each Balance Sheet date whether there is any indication that an asset/cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset/cash generating unit. If such recoverable amount of the asset or the recoverable amount of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset/cash generating unit in prior accounting periods may no longer exist or may have decreased. If any such indications exists, the assets/ cash generating unit's recoverable amount is estimated. The carrying amount of the fixed asset/ cash generating unit is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Statement of Profit and Loss.

1.6 Revenue Recognition

Revenue from sale of products & services is recognized when the significant risks and rewards of ownership of the products or services are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues is net of goods & service tax (GST) and discounts, if any.

Income from subsidy, disbursed/disbursable by the Governments is included in other operating income. The subsidy amount is recognized only to the extent that the realization is reasonably assured.

Dividend income is recognized when the right to receive the income is established.

Income from interest on deposits and loans is recognized on time proportionate basis.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and are included in other operating income.

1.7 Government grants and subsidies

The Company is entitled to subsidies from government in respect of manufacturing unit located in specified regions. Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them.

Government subsidy relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight line basis over the expected life of the related assets and presented within other operating revenue.

1.8 Inventory

Inventories are stated at lower of cost or net realisable value except scrap which is valued at net estimated realizable value.

The cost for the purpose of valuation is computed on the basis of weighted average price in case of Conductors and in case of Insulators Division on the basis of First-in-First out (FIFO).

Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

The cost of work-in-progress and finished goods comprises of raw materials, packing materials, direct labour, other direct costs, and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion/ reprocessing and the estimated cost necessary to make the sale.

1.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) Financial Assets

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the statement of profit and loss and is included in the "Other income" line item.

b) Investment in Equity Instruments at fair value through profit & loss

These investments are initially measured at fair value plus transaction costs subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in profit & loss

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

B) Financial Liabilities

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.10 Derivative financial instrument

The Company uses derivative financial instruments, such as forward & Options currency contracts to hedge its foreign currency risks. Derivative financial instruments are measured at their fair value at the end of each reporting period.

1.11 Measurement of Fair Values

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

1.12 Investment in Subsidiary Companies

The Company has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements.' The details of such investments are given in Note 6.

1.13 Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

1.14 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

1.15 Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.16 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

1.17 Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period.

II. Defined Benefit plans:

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the actuarial valuation techniques with actuarial valuations being carried out at each reporting date. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses, are recognized in Other Comprehensive Income. The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the actuarial valuation techniques.

1.18 Research & Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

1.19 Borrowing Cost

Borrowing cost includes interest, ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

1.20 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

1.21 Events occurring after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.22 Earnings Per Share

a) Basic earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders after taking income tax effect of interest and other finance cost associated with dilutive potential equity shares and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.23 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided over its useful life using the Straight-Line Method

1.24 Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

1.25 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.26 Non current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell. Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale. Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

2 Property, Plant & Equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & equipment	Plantation	Computers & IT equipment	Office equipment	Furniture & fixtures	Motor Vehicle	Right of use assets	Total
Gross Block											
As at 01.04.2022	1,007.00	160.20	7,097.47	20,635.70	-	80.86	206.97	479.70	484.61	46.26	30,198.76
Additions	3.75	-	163.42	734.50	27.20	-	9.47	1.00	61.38	-	1,000.72
Disposals	-	-	-	(992.16)	-	(5.31)	(9.12)	(4.70)	(27.71)	-	(1,039.00)
Other adjustments	-	-	5.59	(10.83)	-	-	-	-	-	-	(5.24)
As at 31.03.2023	1,010.75	160.20	7,266.48	20,367.21	27.20	75.54	207.31	476.00	518.28	46.26	30,155.24
As at 01.04.2023	1,010.75	160.20	7,266.48	20,367.21	27.20	75.54	207.31	476.00	518.28	46.26	30,155.24
Additions	-	-	0.53	221.97	-	-	12.30	0.51	-	-	235.32
Disposals	-	-	-	(99.72)	-	(0.93)	(1.10)	-	(8.19)	(46.26)	(156.20)
Assets held for sale (Refer Note 48)	(1,010.75)	-	(2,325.92)	(3,799.59)	(27.20)	(6.26)	(15.78)	(22.12)	(1.16)	-	(7,208.78)
Demergers	-	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2024	-	160.20	4,941.09	16,689.87	-	68.36	202.74	454.39	508.93	-	23,025.57
Depreciation											
As at 01.04.2022	-	26.95	2,930.66	11,519.16	-	70.79	181.63	265.33	317.81	46.26	15,358.59
Charge for the year	-	1.31	225.48	759.32	1.29	3.41	7.95	43.85	32.40	-	1,075.00
Disposals	-	-	-	(877.75)	-	(5.05)	(8.41)	(4.24)	(25.60)	-	(921.04)
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2023	-	28.26	3,156.13	11,400.72	1.29	69.16	181.18	304.94	324.62	46.26	15,512.55
As at 01.04.2023	-	28.26	3,156.13	11,400.72	1.29	69.16	181.18	304.94	324.62	46.26	15,512.55
Charge for the year	-	1.31	236.51	750.01	1.64	2.04	7.88	42.68	29.89	-	1,071.95
Disposals	-	-	-	(93.72)	-	(0.88)	(1.04)	-	(1.91)	(46.26)	(143.81)
Assets held for sale (Refer Note 48)	-	-	(848.31)	(3,066.85)	(2.93)	(5.95)	(14.98)	(18.59)	(1.01)	-	(3,958.62)
Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2024	-	29.57	2,544.33	8,990.16	(0.00)	64.36	173.03	329.02	351.59	-	12,482.07
Net Block											
As at 31.03.2023	1,010.75	131.94	4,110.35	8,966.48	25.91	6.39	26.14	171.07	193.67	-	14,642.69
As at 31.03.2024	-	130.63	2,396.76	7,699.71	0.00	3.99	29.71	125.36	157.34	-	10,543.50

3 Capital Work in Progress

Particulars	Capital Work in Progress
As at 31.03.2023	83.41
As at 31.03.2024	113.46

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

4 Investment Properties

Particulars	Land at Banera	Land at Bangalore (including Site development)	Land at Khurda	Land at Faridabad	Land at Guwahati	Building at Faridabad	Building at Guwahati	Total
Gross Block								
As at 01.04.2022	0.91	1098.86	-	19046.00	738.60	986.43	967.17	22837.96
Additions	-	-	-	-	-	14.78	33.35	48.13
Other adjustments	-	-	-	-	-	-	-	-
As at 31.03.2023	0.91	1,098.86	-	19,046.00	738.60	1,001.21	1,000.51	22,886.09
As at 01.04.2023	0.91	1098.86	-	19046.00	738.60	1001.21	1000.51	22886.09
Additions	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-
As at 31.03.2024	0.91	1,098.86	-	19,046.00	738.60	1,001.21	1,000.51	22,886.09
Depreciation								
As at 01.04.2022	-	-	-	-	-	384.61	263.30	647.91
Charge for the year	-	-	-	-	-	39.69	31.08	70.77
Other adjustments	-	-	-	-	-	-	-	-
As at 31.03.2023	-	-	-	-	-	424.30	294.38	718.68
As at 01.04.2022	-	-	-	-	-	424.30	294.38	718.68
Charge for the year	-	-	-	-	-	39.64	31.97	71.61
Other adjustments	-	-	-	-	-	-	-	-
As at 31.03.2024	-	-	-	-	-	463.95	326.35	790.29
Net Block								
As at 31.03.2023	0.91	1098.86	-	19046.00	738.60	576.91	706.14	22167.41
As at 31.03.2024	0.91	1098.86	-	19046.00	738.60	537.27	674.17	22095.80

Estimation of Fair Value

The company obtained independent valuations of its investment properties last year. The best evidence of fair value was the current prices in an active market for similar properties. The fair values of investment properties have been determined by M/s Bhavin R Patel & Associates, Chartered Engineers & Registered Valuers for our property situated at Bangalore, Faridabad & Guwahati. This year no valuation is obtained as there is no significant change in fair value.

	Year ended March 31, 2024	Year ended March 31, 2023
Rental income derived from investment properties	893.87	707.83
Direct operating expenses (including repairs and maintenance) generating rental income	24.18	174.11
Income arising from investment properties before depreciation	822.26	533.72
Depreciation	71.61	70.77
Income arising from investment properties (Net)	750.65	462.94

Premises given on operating lease:

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between 2 and 5 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

The total future minimum lease rentals receivable at the Balance Sheet date are as under:

	As at March 31, 2024	As at March 31, 2023
For a period not later than one year	948.30	1,050.00
For a period later than one year and not later than five years	4,543.08	3,980.33
For a period later than five years	-	-
Total	5,491.38	5,030.33

5 Other Intangible Assets

Particulars	Computer softwares	Product Development	Total
Gross Block			
As at 01.04.2022	225.30	135.00	360.31
Additions	0.71	0.00	0.71
Disposals	(22.31)	(135.00)	(157.32)
As at 31.03.2023	203.70	-	203.70
As at 01.04.2023	203.70	0.00	203.70
Additions	1.20	0.00	1.20
Disposals	0.00	0.00	0.00
As at 31.03.2024	204.90	-	204.90
Amortization			
As at 01.04.2022	209.73	135.00	344.73
Charge for the year	2.98	0.00	2.98
Disposals	(22.31)	(135.00)	(157.31)
As at 31.03.2023	190.41	0.00	190.41
As As at 01.04.2023	190.41	0.00	190.41
Charge for the year	1.96	0.00	1.96
Disposals	0.00	0.00	0.00
As at 31.03.2024	192.37	0.00	192.37
Net Block			
As at 31.03.2023	13.29	0.00	13.29
As at 31.03.2024	12.53	0.00	12.53

6 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Investments in Equity Shares				
a) Unquoted Equity Shares (Measured at Cost)				
Subsidiary Companies				
Hindusthan Speciality Chemicals Ltd.	-	8,459.31	-	8,459.31
Other Companies				
Continuum Green Energy (India) Private Limited*	-	90.48	-	-
Investments in Optionally Convertible Debentures				
Continuum Green Energy (India) Private Limited*	-	257.40	-	-
Total	-	8,807.19	-	8,459.31

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Aggregate amount of unquoted investments	Face Value per unit	As at March 31, 2024		As at March 31, 2023	
		No. of Units	Amount	No. of Units	Amount
Investments in Equity Shares - Subsidiary Company					
Hindusthan Speciality Chemicals Ltd. (Rs 10 each)	10	84,591,382	8,459.31	84,591,382	8,459.31
Investments in Equity Shares - Other Company					
Continuum Green Energy (India) Private Limited (Rs 10 each)*	10	904,800	90.48	-	-
Aggregate amount of unquoted investments			8,549.79		8,459.31
Investments in Optionally Convertible Debentures					
Continuum Green Energy (India) Private Limited (Rs 10 each)*	10	2,574,000	257.40	-	-
			257.40		-

*Share Purchase and Shareholder Agreement (SPSA) on 27-Jun-23 entered between Company (Captive User), Continuum MP Wind Farm Development Pvt. Ltd. (Seller - Company setting up Solar Plant) & Continuum Green Energy (India) Private Limited (Owner of Continuum MP Wind Farm Development Pvt. Ltd.) as per the requirement under Electricity Rule 2005, as company (Captive User , wish to purchase Power) entered into Power Purchase Agreement on 10-Jun-23 with Continuum MP Wind Farm Development Pvt. Ltd. (Seller - Company setting up Solar Plant)

7 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Raw materials - In hand	1,481.43	1,014.14
(ii) Work-in-Progress	4,787.06	5,374.67
(iii) Finished Goods	3,704.69	3,533.54
(iv) Stores & Spares and Packing	961.46	1,473.40
(v) Scrap	2.46	2.46
(vi) Goods in transit	24.79	-
Reclassified to Assets held for sale and discontinued operations (Refer Note 48)	(297.06)	-
Total	10,664.83	11,398.22

(i) For method of valuation of inventories, refer note 1.8

8 Trade Receivables

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Trade receivables considered good - Secured	-	-	134.45	82.30
- Unsecured, considered good (over six months)	-	-	-	-
- Unsecured, considered good (others)	-	-	6,193.60	6,994.74
Trade receivables considered good - Unsecured	-	-	6,193.60	6,994.74
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	-	-	-	-
Total	-	-	6,328.05	7,077.05
Less: Loss allowance	-	-	(218.66)	(218.66)
Total	-	-	6,109.39	6,858.39

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

9 Cash & cash equivalents and Other Bank Balances

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Cash and Bank Balances				
(I) Cash & cash equivalents				
(i) Balance with Banks				
Current Accounts	-	-	21.55	13.95
(ii) Cash on Hand	-	-	4.37	6.02
(iii) Deposits with Banks held as Margin money/ Security (Maturity of less than three months)	-	-	108.71	104.98
	-	-	-	-
	-	-	134.63	124.95
(II) Other Bank Balances				
Earmarked Balances with Banks - Unclaimed Dividend	-	-	0.39	0.67
Deposits with Banks held as Margin money/ Security (Maturity of more than 3 months and upto 12 months)	-	-	116.82	305.88
	-	-	117.21	306.55
Total	-	-	251.84	431.50

10 Loans

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Loans to related parties				
Hindusthan Speciality Chemicals Ltd.	4,375.66	4,375.66	-	-
Loans to employees	-	8.33	-	6.58
Total	4,375.66	4,384.00	-	6.58

Break-up of security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	4,375.66	4,390.58
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	4,375.66	4,390.58

11 Financial Assets: Others

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good				
Interest accrued but not due	-	-	9.11	17.73
Interest receivable	2,244.37	1,834.78	-	1,834.78
Deposits with Banks held as Margin money/ Security (Maturity of more than twelve months)	170.69	25.33	-	-
Income receivable	-	-	42.65	-
Total	2,415.06	1,860.11	51.76	1,852.51

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

12 Current Tax Assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Payment of Tax / TDS / TCS (Net of Provisions)	264.35	229.78
Total	264.35	229.78

13 Other Assets

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
(I) Capital Advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	162.59	66.73	-	-
(II) Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
(A) (i) Sales Tax (Under Litigation)	102.91	138.80	-	-
(ii) Municipal Corporation (Under Litigation)	6.07	5.15	-	-
(iii) Central Excise & Custom (Under Litigation)	8.56	6.89	-	-
(iv) Electricity Board (Under Litigation)	44.35	27.91	-	-
(B) Others -				
I) Tender	148.12	52.53	-	-
II) Electricity	285.82	293.97	-	-
III) Others	187.62	218.88	-	-
(III) Earnest Money Deposit - Lien Fixed Deposit	-	-	-	-
- Others	7.81	47.16	-	-
(IV) Deposit/ Credit with Government Authorities	-	-	-	-
GST, Custom, Excise & Service Tax	-	-	763.24	306.97
Sales tax	-	-	26.07	26.07
(V) Advances to Suppliers	4.35	3.63	255.52	109.47
(VI) Advance to Employees	-	-	28.61	4.76
(VII) Other Advances				
Related Parties	-	-	-	-
Others	159.72	29.31	196.35	176.06
Total	1,117.94	890.96	1,269.79	623.34

14 i) Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
25,00,000 (31 March 2023 : 25,00,000) Equity Shares of Rs 10/- each.	250.00	250.00
Issued		
14,43,000 (31 March 2023 : 14,43,000) Equity Shares of Rs 10/- each.	144.30	144.30
Subscribed & Fully Paid up		
14,42,885 (31 March 2023 : 14,42,885) Equity Shares of Rs 10/- each.	144.29	144.29
Total	144.29	144.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

(a) Reconciliation of shares outstanding at the beginning and at end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	1,442,885.00	144.29	1,442,885.00	144.29
Add:- Addition during the Year	-	-	-	-
Less:- Deletion during the Year	-	-	-	-
Closing Balance	1,442,885.00	144.29	1,442,885.00	144.29

(b) Terms/rights attached to equity shares

- The Company has equity shares having par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share.
- Shares in respect of each class in the company held by its holding company rights ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate : NIL
- Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The company has not Issued equity share capital including shares allotted for consideration other than cash during the past five years.

(c) Details of Shareholders holding more than 5% equity shares in the company

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Equity Shares	Percentage Holding	No. of Equity Shares	Percentage Holding
Hindusthan Consultancy & Services Ltd.	708,825.00	49.12%	708,825.00	49.12%
Carbo Industrial Holdings Ltd	132,820.00	9.21%	132,820.00	9.21%
Promain Ltd	117,900.00	8.17%	117,900.00	8.17%

15 Borrowings

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023.
Secured Loans from Banks:				
a) - Term Loan (Rupee Loan)	1,292.57	2,525.43	419.46	908.53
Less:- Current Maturities	(419.46)	(908.53)	-	-
Sub Total	873.11	1,616.90	419.46	908.53
b) Loans repayable on demand				
From Related parties (Unsecured)	-	-	6,755.00	5,265.00
Sub Total	-	-	6,755.00	5,265.00
c) Liability Component of Redeemable Preference Shares	3,289.84	3,060.28	-	-
	3,289.84	3,060.28	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

15 Borrowings (Contd.)

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
d) Working Capital Facilities from Banks- Secured (Repayable on Demand)				
<i>Foreign Currency Loan</i>				
PCFC Loan	-	-	-	385.00
FCNR Loan	-	-	-	-
Sub Total	-	-	-	385.00
<i>Rupee loan</i>				
Cash Credit	-	-	4,239.72	4,869.15
Working Capital Demand Loan	-	-	0.00	0.00
Sub Total	-	-	4,239.72	4,869.15
Total	4,162.94	4,677.18	11,414.18	11,427.68

a) Term Loan (Rupee Loan)

- (i) **Type of Loan** : 10.50% p.a. Term loan Canara Bank, New Delhi of ₹ 4500 Lakhs is sanctioned on 14.08.2015 by Canara Bank, New Delhi for our Khurda Projects against which ₹ 4064.34 Lakhs availed (**Outstanding amount - Nil (Previous Year ₹ 409.66 Lakhs)**).

Nature of Security: The loan is secured by exclusive charge on land & building and other fixed/movable/immovable assets situated at Village-chmpajhara, Distt- Khurda, Bhubaneswer.

Terms of Repayment : The said loan is repayable in 32 quarterly structured instalments starting from quarter ending December' 2015 and ending on quarter ending November'2023.]

- (ii) **Type of Loan** : 7.85% p.a. GECL 2.0 Term loan of ₹ 1010 Lakhs from Canara Bank is sanctioned on 03.03.2021 against which ₹ 800.72 lakh availed till 31.03.2023 (**Outstanding amount - Nil (Previous Year - ₹ 548.72 Lakhs)**).

Nature of Security : Secured by second charge on primary security/collateral security

Terms of Repayment: The loan is repayable in 47 equated monthly instalments of ₹ 21 lakhs & last instalment of ₹ 23 lakhs after moratorium period of 12 months from the date of disbursement.

- (iii) **Type of Loan** : GECL (Guaranteed Emergency Credit Line) Loan sanctioned by State Bank of India @ 7.95% p.a. of ₹ 852 Lakhs (**Outstanding amount - ₹ 531.20 Lakhs (Previous Year ₹ 744.82 Lakhs)**)

Nature of Security :Secured by Second pari-passu charge over entire stock of raw material, finished goods, stock in process, consumable stores & spares, packing materials, book debts, outstanding monies, receivables, claims and bills etc. of IEC division of the company and Collateral security given as Second pari-passu charge on movable and immovable fixed assets of IEC division situated at Plot No. 1-8, New Industrial Area, Mandideep, Raisen, MP along with IDBI Bank.

Terms of Repayment: The same are repayable in 48 monthly instalments commencing from 31.10.2022.

- (iv) **Type of Loan** : Further GECL (Guaranteed Emergency Credit Line) Loan sanctioned by State Bank of India @ 7.95% p.a. of ₹ 426 Lakhs (**Outstanding amount - ₹ 386.36 Lakhs (Previous Year ₹ 422.23 Lakhs)**)

Nature of Security :Secured by Second pari-passu charge over entire stock of raw material, finished goods, stock in process, consumable stores & spares, packing materials, book debts, outstanding monies, receivables, claims and bills etc. of IEC division of the company and Collateral security given as Second pari-passu charge on movable and immovable fixed assets of IEC division situated at Plot No. 1-8, New Industrial Area, Mandideep, Raisen, MP along with IDBI Bank.

Terms of Repayment: The same are repayable in 48 monthly instalments commencing after a moratorium period 24 months from the date of disbursement respectively.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- (v) **Type of Loan** : GECL (Guaranteed Emergency Credit Line) Loan sanctioned by IDBI @ 8.60% p.a. ₹ 400 Lakhs (Outstanding amount - ₹ 375.01 Lakhs (Previous Year ₹ 400 Lakhs))

Nature of Security: Secured by Second pari-passu charge over entire stock of raw material, finished goods, stock in process, consumable stores & spares, packing materials, book debts, outstanding monies, receivables, claims and bills etc. of IEC division of the company and Collateral security given as Second pari-passu charge on movable and immovable fixed assets of IEC division situated at Plot No. 1-8, New Industrial Area, Mandideep, Raisen, MP along with SBI Bank.

Terms of Repayment: The same are repayable in 48 monthly instalments commencing after a moratorium period 24 months from the date of disbursement respectively.

- b) **Loans repayable on demand** - Inter-corporate loans taken during the year from related parties repayable on demand.
- c) **Liability Component of Redeemable Preference Shares** : Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹ 9518.97 Lakhs issued on 12.12.2018. Present Value of Principal amount of such shares at the end of 20 years considered as Liability Component as per Ind-AS 32 using discount rate @ 7.50% is ₹ 3289.84 Lakhs (Previous year - ₹ 3060.28 Lakhs). Interest expense recognised during the year as per Ind-AS 32 is ₹ 229.55 lakhs (Previous year - ₹ 213.51 Lakhs)
- d) **Working Capital Facilities for Banks** :

- (i) **Type of Loan:** Working capital facilities from State Bank of India, Bhopal Branch & IDBI Bank, Bhopal Branch for the Insulator division against which drawing is ₹ 4239.72 Lakhs (Previous year - ₹ 4869.15 Lakhs)

Nature of Security: Secured against hypothecation of all types of stocks and book debts and other receivable situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj, Distt-Raisen, M.P. or such other place as approved by bank and secured collaterally by way of second charge on fixed assets of insulators division situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj, Distt-Raisen, M.P.

(₹ in Lakhs)

16 Trade payables (including Acceptances)*

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Total outstanding dues of micro and small enterprises	400.77	36.76
Total outstanding dues of creditors other than micro and small enterprises	3,541.60	3,795.74
Total	3,942.37	3,832.50

*Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

17 Other financial liabilities excluding provisions

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Interest accrued but not due on borrowings	-	-	-	12.13
Interest payable	-	-	278.65	183.09
Unclaimed dividend	-	-	0.39	0.67
Other Payables	-	-	488.63	676.14
Creditors For Capital Goods	-	-	3.58	116.36
Other Deposits : Trade/Service deposits	106.40	183.25	128.06	112.74
Total	106.40	183.25	899.30	1,101.12

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

18 Provisions

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Provision for employee benefits	416.02	439.77	291.37	276.72
Total	416.02	439.77	291.37	276.72

19 Deferred tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities on:		
- Fixed assets (PPE) U/s-32	8,057.85	8,050.10
- Equity Component of Preference Share Capital	2,176.71	2,256.92
	10,234.56	10,307.02
Deferred tax assets on:		
- Bonus, gratuity & leave salary U/s-43B	289.74	294.87
- Provision for doubtful debts U/s-36(1)(vii)	63.23	63.23
- Business loss / Un Absorbed Depreciation U/s-72	2,565.38	1,879.01
- Other Temporary Differences	651.43	651.43
- Other Comprehensive Income	25.07	26.67
	3,594.85	2,915.22
MAT Credit Entitlement	1,356.81	1,356.81
Net deferred tax Liabilities	5,282.90	6,034.99

20 Other Liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Advances from customers	-	-	857.05	138.22
Deferred Security Deposit (Rent)	69.14	75.01	12.95	18.82
Statutory Liabilities	-	-	-	-
- Income Tax (TDS)	-	-	69.10	54.58
- Goods & Service Tax (GST)	-	-	503.93	300.23
- Others	347.88	-	27.30	22.12
Total	417.02	75.01	1,470.32	533.96

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

21 Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products & services		
(i) Conductors & Cables	-	-
(ii) Insulators	20,980.40	20,803.44
(iii) Job Work	624.75	-
(iv) Real Estate (Rental Income)	893.87	707.83
	22,499.03	21,511.26
Other operating revenue		
(i) Scrap Sales	201.03	473.05
(ii) Export Incentives	24.59	43.72
(iii) Subsidy Income	-	-
(iv) Packing, Stores & Spares Sales	626.37	130.50
(v) Agriculture Income	0.83	0.49
	852.82	647.76
Revenue from Operations (Gross)	23,351.85	22,159.02

22 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A) INTEREST INCOME		
From FDR's	26.43	28.45
From Customers	24.36	21.50
From Related Parties	455.10	463.21
From Others	25.60	16.40
(B) OTHER NON- OPERATING INCOME		
Fluctuation in Exchange Rate (Net)	12.85	65.41
Claims Received (Net)	1.59	9.09
Consultancy Services (Bangalore to IEC)	-	-
Profit on Sale of Property, Plant & Equipment	68.05	461.26
Liabilities No Longer Required & Sundry Credit Balance Written Back	171.95	109.66
Subsidy Income	-	42.64
Misc Receipt	10.00	-
Entry Tax Refund	-	0.31
Total	795.94	1,217.93

23 Cost of Materials Consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw Material Consumption	8,283.88	9,453.20
Increase Decrease in Finished Goods / WIP and Scrap	0.65	98.90
Raw Material Consumed	8,283.23	9,354.30

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

24 Changes in inventories of finished goods, stock-in-trade & work-in-progress

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
Finished Goods	3,533.54	2,762.77
Work-In-Progress	5,374.67	4,098.06
Scrap	2.46	65.01
Adjustment in WIP	-	-
	8,910.68	6,925.84
Inventories at the end of the year		
Finished Goods	3,704.69	3,533.54
Work-In-Progress	4,787.06	5,374.67
Scrap	2.46	2.46
Goods in Transit	24.79	-
	8,519.00	8,910.68
Total	391.68	(1,984.84)

25 Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries & wages	1,909.11	1,829.05
Contribution to provident & other funds	135.23	137.03
Staff & Workmen welfare expenses	22.84	25.19
Total	2,067.18	1,991.27

26 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(I) INTEREST		
On Term Loan	166.51	268.70
On Working Capital Borrowings	775.06	863.50
On Liability Component of Redeemable Preference Share Capital	229.55	213.51
On Others	647.02	483.57
	1,818.14	1,829.27
(2) OTHER BORROWING COST		
Bank Charges	163.96	158.85
Total	1,982.10	1,988.12

27 Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant & equipment	1,071.95	1,075.00
Depreciation of Investment Properties	71.61	70.77
Amortization of Intangible assets	1.96	2.98
Depreciation of Right of Use Asset	-	-
Total	1,145.52	1,148.76

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

28 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
MANUFACTURING EXPENSES		
(i) Stores & Spares	871.74	884.04
(ii) Packing & Forwarding Expenses (Net)	1,912.94	1,434.72
(iii) Power & Fuel	4,714.25	6,019.53
(iv) Repairs to Building	47.51	61.33
(v) Repairs to Machinery	106.17	158.84
(vi) Jobs on Contract	2,876.84	2,835.75
SELLING AND ADMINISTRATION		
(i) Rent	77.51	86.26
(ii) Insurance	42.47	37.69
(iii) Rates & Taxes	41.50	65.82
(iv) Repairs - Others	38.13	66.11
(v) Directors Meeting Fees	4.80	5.10
(vi) Payment to Auditors	3.73	3.81
(vii) Charity & Donation	-	-
(viii) Brokerage & Commission	15.98	79.24
(ix) Bad Debts Written off	1.16	62.19
(x) Allowance for Doubtful Debts	-	49.52
(xi) Legal & Professional Charges	230.15	273.46
(xii) Travelling & Conveyance	209.89	201.69
(xiii) Fluctuation in Exchange Rate (Net)	-	-
(xiv) Security Charges Paid	63.14	59.37
(xv) Miscellaneous Expenses	68.19	74.72
Total	11,326.10	12,459.19

29 Other Comprehensive Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	4.59	10.77
	4.59	10.77
Items that will be reclassified to profit or loss		
	-	-
Total	4.59	10.77

30 Exceptional items

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Exceptional Items	-	-
Total	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

31 Contingent Liabilities & Commitments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(1) Contingent liabilities (to the extent not provided for)		
(A) Guarantee		
(a) The Company has given following corporate guarantee on behalf of its subsidiaries or group companies to secure financial facilities :		
Hindusthan Speciality Chemicals Ltd. (Partly Owned Subsidiary), for secured financial facilities	20,802.00	20,802.00
Hindusthan Engineering & Industries Ltd. (Group company), under sales tax, excise, custom etc.	6.50	6.50
(b) Outstanding guarantees furnished by banks on behalf of the company	437.54	1,985.02
(c) Outstanding letters of credit furnished by banks on behalf of the company	-	1,516.27
(B) Claims against Company, disputed by the Company, not acknowledged as debt:		
(a) Income Tax demand under appeal	-	4.28
(b) Custom/Excise Duty/GST show cause notices/demands under appeal**	423.72	61.57
(c) Claims against the Company for Sales/Purchase Tax/VAT**	417.53	388.54
(d) Claims against the Company for Labour Cases/MCF & Other under litigation**	-	219.79
**These demand shown net of advance paid for filing of appeal with respective department.		
(2) Commitments as at year end: (to the extent not provided for)		
(A) Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	-	61.00
(B) Other Commitments:		
(i) Sales order to be executed against Government and Private Contracts	100.37	9,943.07
(ii) Liability in respect of sales bills discounted with banks/NBFC's	1478.52	1,101.74

32 Disclosure requirement under MSMED Act, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

There are no micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2024. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount due and remaining unpaid to any supplier at the end of the each accounting year	400.77	36.76
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006 (27 of 2006), alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small & Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year, and	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
The amount of further interest remaining due and payable in succeeding year, untill such interest when the interest dues above are actually paid to the small enterprises, for the purpose of disallowances on account of deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act,2006.	-	-

33 Employee Benefits

As per Ind-AS 19 on “Employee Benefits”, the disclosures of Employee Benefits are given below:

a) Defined Contribution Scheme

Particulars	As at March 31, 2024	As at March 31, 2023
Contribution to Defined Contribution Plan, recognized for the year are as under:		
Employer’s Contribution to Provident Fund	80.21	78.77
Employer’s Contribution to Pension Fund	39.72	44.35
Employer’s-ESI Contribution	12.08	13.62
Total	132.01	136.74

b) Defined Benefit Scheme

Disclosure as required by Ind AS 19 on Employee Benefits in respect of gratuity and leave encashment are as follows:

Particulars	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
	2023-24	2022-23	2023-24	2022-23
Net expenses recognised during the year 2023-24				
Current Service Cost	15.84	13.50	33.81	33.22
Interest Cost	6.11	4.90	46.83	43.85
Expected return on plan assets	-	-	-	-
Actuarial Losses / (Gains)	1.73	3.38	(4.59)	(10.76)
Past Service Cost	-	-	-	-
Net benefit expenses	23.68	21.78	76.05	66.31
Net assets/(Liability) recognized in Balance Sheet as at 31st March, 2024				
Present Value of Defined Benefit Obligation	95.85	82.46	611.55	634.03
Fair Value of plan assets	-	-	-	-
Net Liabilities recognised in Balance Sheet	95.85	82.46	611.55	634.03
Change in the Present value of obligation over the year ended 31st March, 2024				
Present Value of Defined Benefit Obligation as on 1st April, 2023	82.45	70.89	634.03	643.89
Interest Cost	6.11	4.90	46.83	43.85
Past Service Cost	-	-	-	-
Current Service Cost	15.84	13.50	33.81	33.22
Benefits Paid	(10.28)	(10.21)	(98.55)	(76.17)
Actuarial (Gain) / loss on obligation	1.73	3.38	(4.58)	(10.76)
Present Value of Defined Benefit Obligation as on 31st March, 2024	95.85	82.46	611.54	634.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Other Comprehensive Income	Gratuity (Non-Funded)	
	2023-24	2022-23
Actuarial (gains) / losses		
change in demographic assumptions	-	-
change in financial assumptions	1.24	1.75
experience variance (i.e. Actual experience vs assumptions)	(5.82)	(12.51)
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	(4.58)	(10.76)

Major Actuarial Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	Segment	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
		2023-24	2022-23	2023-24	2022-23
Financial Assumptions					
Discount Rate	Conductor	7.38%	7.43%	7.38%	7.43%
(based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities)	Insulators	7.38%	7.30%	7.38%	7.38%
Salary increase	Conductor	5.00%	5.00%	5.00%	5.00%
(based on account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis)	Insulators	5.00%	5.00%	5.00%	5.00%
Demographic Assumptions					
Mortality Rate (% of IALM 2012-14)	Conductor	100.00%	100.00%	100.00%	100.00%
(inclusive of provision for disability)	Insulators	100.00%	100.00%	100.00%	100.00%
Withdrawal rates, based on age: (per annum)					
Up to 30 years	Conductor	3.00%	3.00%	3.00%	3.00%
	Insulators	0.50%	0.50%	0.50%	0.50%
31 - 44 years	Conductor	2.00%	2.00%	2.00%	2.00%
	Insulators	0.20%	0.20%	0.20%	0.20%
Above 44 years	Conductor	1.00%	1.00%	1.00%	1.00%
	Insulators	0.10%	0.10%	0.10%	0.10%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Sensitivity Analysis

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
	2023-24	2023-24
Impact of the change in discount rate		
Present Value of Obligation at the end of the period	95.85	82.46
Impact due to increase of 0.50 %/1.00%	(3.13)	(2.66)
Impact due to decrease of 0.50 %/1.00%	3.33	2.84
Impact of the change in salary increase		
Present Value of Obligation at the end of the period	95.85	82.46
Impact due to increase of 0.50 %/1.00%	3.41	2.92
Impact due to decrease of 0.50 %/1.00%	(3.17)	(2.71)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

The defined benefit obligations shall mature after the end of reporting period is as follows:	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
	2023-24	2023-24
Expected cash flows over the next (valued on undiscounted basis):		
1 Year	35.54	255.83
1 to 6 years	20.99	261.37
More than 6 years	39.31	94.35

Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:-

- Salary Increases : Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

34. Related Party Disclosures

A. List of Related Parties and relatives with whom transactions have taken place

Enterprise which have significant influence over the company

Hindusthan Consultancy and Services Ltd.

Enterprises over which company having significant influence:

Hindusthan Speciality Chemicals Ltd. (Partly Owned Subsidiary Company)

Director(s)/ Key Managerial Personnel :

Mr Raghavendra Anant Mody, Chairman & Whole-time Director

Mr Deepak Kejriwal, Managing Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Mr. Shyam Sunder Bhuwania, Director
 Mr. Mool Chand Gauba, Independent Director
 Mr. Sadhu Ram Bansal, Independent Director
 Ms. Deepika Agrawal, Independent Director
 Mr. Murari Lal Birmiwala, President - Finance & Secretary
 Mr. Vishal Pachisia, Chief Finance Officer

Relatives of Director(s)/Key Managerial Personnel :

Mrs. Sanchita Mody
 Ms. Devhuti Mody

Others

Hindusthan Vidyut Products Ltd Employee Provident Fund Trust
 Hindusthan Engineering & Industries Ltd.
 Hindusthan M-I Swaco Limited
 Hindusthan Chemicals Limited
 Promain Ltd.
 Orient Bonds and Stock Limited
 Pradyumna Steels Ltd.
 Paramount Enterprises Ltd.
 Intercontinental Trading and Investment Company Ltd.
 Olympic General Trading Ltd.
 Ratlam Industrial Ltd.
 Associated General Trading Society Ltd.
 Mody Investment & Manufacturing Co. Pvt. Ltd.
 Mody Education Foundation

B. Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business.

i) With parties other than Directors / Key Managerial personnel

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of Capital goods/Materials (Including GST)		
Hindusthan Speciality Chemicals Ltd.	0.95	3.21
Hindusthan M-I Swaco Limited	-	1.02
Sale of Capital goods/Materials/MEIS Scrip		
Hindusthan Speciality Chemicals Ltd.	4.73	9.38
Hindusthan Engineering & Industries Ltd.	-	59.00
Rent paid (Including GST)		
Promain Limited	61.45	76.39
Hindusthan Engineering & Industries Ltd.	0.14	0.14
Rent received/ receivable		
Hindusthan Speciality Chemicals Ltd.	29.96	-
Hindusthan Chemicals Limited	1.65	-
Reimbursement of Expenses Received /Receivable (Including GST)		
Hindusthan Speciality Chemicals Ltd.	20.58	-
Hindusthan Engineering & Industries Ltd.	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(₹ in Lakhs)		
Reimbursement of Expenses Paid /Payable		
Hindusthan Engineering & Industries Ltd.	-	4.22
Brand Fee Paid		
Hindusthan Consultancy and Services Ltd.	5.00	5.00
Provident Fund Deposit (Paid/Payable)		
Hindusthan Vidyut Products Ltd Employee Provident Fund Trust	57.66	58.48
Interest Received/Receivable		
Hindusthan Speciality Chemicals Ltd.	455.10	463.21
Interest Paid / Payable		
Hindusthan Consultancy and Services Ltd.	62.26	80.25
Hindusthan Engineering & Industries Ltd.	294.39	169.46
Orient Bonds and Stock Limited	33.27	28.17
Pradyumna Steels Ltd.	28.20	28.13
Paramount Enterprises Ltd.	57.78	57.00
Intercontinental Trading and Investment Company Ltd.	23.76	23.63
Olympic General Trading Ltd.	10.30	11.15
Promain Limited	3.48	5.00
Ratlam Industrial Ltd.	55.61	59.70
Associated General Trading Society Ltd.	10.30	11.15
Mody Investment & Manufacturing Co. Pvt. Ltd.	6.37	-
Loan - Received		
Hindusthan Engineering & Industries Ltd.	2,600.00	1,000.00
Orient Bonds and Stock Limited	330.00	-
Intercontinental Trading & Investment Co Ltd.	50.00	-
Paramount Enterprises Ltd.	1,790.00	-
Mody Investment & Manufacturing Co. Pvt. Ltd.	280.00	-
Loan - Repaid		
Orient Bonds and Stock Limited	-	25.00
Promain Limited	50.00	
Paramount Enterprises Ltd.	465.00	
Ratlam Industrial Ltd.	550.00	
Associated General Trading Society Ltd.	100.00	
Olympic General Trading Co. Ltd.	100.00	
Hindusthan Consultancy & Services Ltd.	750.00	
Hindusthan Engineering & Industries Ltd.	1,545.00	
Loan - Given		
Hindusthan Speciality Chemicals Ltd.	428.00	370.00
Loan - Received back		
Hindusthan Speciality Chemicals Ltd.	428.00	370.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

	(₹ in Lakhs)	
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
ii) With Directors/Key Managerial Personnel		
Remuneration to Key Managerial Personnel:		
Mr. Raghavendra Anant Mody	180.00	175.51
Mr. Deepak Kejriwal	63.30	61.53
Mr. Murari Lal Birniwala	38.13	35.78
Mr. Sushil Kumar Mishra	-	22.36
Mr. Annuj Khandelwal	1.27	0.66
Mr. Vishal Pachisia	39.60	-
Salary paid to relative of Director(s)/ Key Managerial Personnel:		
Mrs. Sanchita Mody	90.00	81.06
Ms. Devhuti Mody	-	-
Loan/Advance Given to Director		
Mr. Deepak Kejriwal	-	15.00
Loan/Advance Repaid		
Mr. Deepak Kejriwal	6.00	2.00
Outstanding - Loan/Advance Given		
Mr. Deepak Kejriwal	7.00	13.00
Advisory Fess Paid to Key Managerial Personnel:		
Mr. Shyam Sunder Bhuwania	12.00	12.00
Sitting Fees Paid to Directors		
Mr. Mool Chand Gauba	0.90	1.70
Mr. Ratan Lal Nangalia	0.70	
Mr. Sadhu Ram Bansal	1.60	1.70
Ms. Deepika Agrawal	1.60	1.70
Outstanding - Receivable		
Hindusthan Speciality Chemicals Ltd.	49.38	33.81
Hindusthan Engineering & Industries Ltd.	-	-
Hindusthan Consultancy and Services Ltd.	-	-
Outstanding - Loan Given		
Hindusthan Speciality Chemicals Ltd. (Loan Given)	4,375.66	4,375.66
Outstanding - Interest receivable on Loan Given (Net of TDS)		
Hindusthan Speciality Chemicals Ltd .	2,244.37	1,834.78
Outstanding - Payable		
Hindusthan Engineering & Industries Ltd.	0.14	27.26
Hindusthan Speciality Chemicals Ltd.	33.38	39.26
Hindusthan M-I Swaco Limited	1.02	1.02
Promain Limited	-	16.79

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Outstanding - Loan taken (including interest payable)		
Hindusthan Engineering & Industries Ltd.	3,717.46	2,552.51
Orient Bonds and Stock Limited	599.01	267.13
Pradyumna Steels Ltd.	277.15	277.15
Paramount Enterprises Ltd.	1,880.78	554.36
Intercontinental Trading and Investment Company Ltd.	276.87	226.81
Olympic General Trading Ltd.	-	100.85
Ratlam Industrial Ltd.	0.24	556.38
Associated General Trading Society Ltd.	-	100.85
Promain Limited	-	50.38
Hindusthan Consultancy and Services Ltd.	-	761.67
Mody Investment & Mfg. Co. Pvt. Ltd.	282.14	-
Investment in Equity Share Capital in wholly owned subsidiary co.		
Hindusthan Speciality Chemicals Ltd.	8,459.31	8,459.31
Guarantees and collaterals by the Company		
Hindusthan Engineering & Industries Ltd.	6.50	6.50
Hindusthan Speciality Chemicals Ltd.	20,802.00	20,802.00

35 Segment Reporting

l) Based on the guiding principles given in Ind AS-108 “Operating Segment”, The Vice-Chairman and Managing Director of the Parent Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 “Operating Segments”. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Company’s business segments are organised around customers on industry and products lines as under:

- a. **Conductor:** Conductor includes electrical conductor and related items.
- b. **Insulator:** Insulator includes electrical insulator and related items.
- c. **Real-estate :** Real-estate includes Property at Faridabad given for rent purpose.
- d. **Others :** This segment is engaged in Investment activities

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

No operating segments have been aggregated to form the above reportable operating segments.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under ‘unallocated revenue / expenses / assets / liabilities’.

Finance costs are not allocated to individual segments as the underlying instruments are managed on a Company basis

Current taxes and Deferred taxes are not allocated to those segments as they are also managed on a Company basis

A Business Segment

Segment information for the year ended 31st March, 2024

Particulars	Period	Conductor	Insulator	Real-estate	Others	Un-allocated	Total
Revenue from Operations (Gross)	FY 23-24	1,239.34	21,184.75	893.87	-	-	23,317.96
	FY 22-23	350.45	21,100.75	707.83	-	-	22,159.03
Results	FY 23-24	96.62	322.23	515.23	-	-	934.08
	FY 22-23	80.62	150.41	462.94	-	-	693.97
Interest Income	FY 23-24	-	-	-	-	531.49	531.49
	FY 22-23	-	-	-	-	529.56	529.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Period	Conductor	Insulator	Real-estate	Others	Un-allocated	Total
Finance cost	FY 23-24	-	-	-	-	1,982.10	1,982.10
	FY 22-23	-	-	-	-	1,988.12	1,988.12
Unallocable Corporate Expenditure	FY 23-24	-	-	-	-	-	-
	FY 22-23	-	-	-	-	599.63	599.63
Profit /(Loss) before taxation & exceptional items	FY 23-24	-	-	-	-	-	(1,048.02)
	FY 22-23	-	-	-	-	-	(1,579.85)
Exceptional Items	FY 23-24	-	-	-	-	-	-
	FY 22-23	-	-	-	-	-	-
Net Profit/ (Loss) before tax	FY 23-24	-	-	-	-	-	(1,048.02)
	FY 22-23	-	-	-	-	-	(1,579.85)
Tax Expense	FY 23-24	-	-	-	-	-	(753.70)
	FY 22-23	-	-	-	-	-	(521.88)
Net Profit/ (Loss) after tax	FY 23-24	-	-	-	-	-	(294.32)
	FY 22-23	-	-	-	-	-	(1,057.97)

Particulars		Conductor	Insulator	Real-estate	Others	Un-allocated	Total
Other Information	As at						
Segment assets	Mar 31, 2024	11,905.59	28,567.40	22,095.80	8,807.19	264.35	71,640.33
	Mar 31, 2023	12663.55	28517.28	22241.11	8459.31	229.78	72111.03
Segment liabilities	Mar 31, 2024	11,455.34	11,437.29	227.30	-	5,282.90	28,402.83
	Mar 31, 2023	10,068.70	12,294.09	184.41	-	6,034.99	28,582.19
Capital Employed	Mar 31, 2024	450.25	17,130.11	21,868.50	8,807.19	(5,018.55)	43,237.50
	Mar 31, 2023	2594.85	16223.19	22056.70	8459.31	(5805.22)	43,528.84
Capital expenditure	Mar 31, 2024	32.39	204.12	-	-	-	236.52
	Mar 31, 2023	169.17	833.38	48.13	-	-	1,050.68
Depreciation	Mar 31, 2024	319.71	755.04	70.77	-	-	1,145.52
	Mar 31, 2023	364.89	713.10	70.77	-	-	1,148.76

B Additional Information by Geographies
For the year ended 31st March, 2024

Particulars	March 31, 2024	March 31, 2023
a) Revenue from operations by geographical location of customers (Gross)		
Within India	21,896.27	20,709.72
Outside India	1,421.69	1,449.30
Total	23,317.96	22,159.02
b) Carrying amount of segment assets		
Within India	70,875.45	71,321.31
Outside India	764.88	789.72
Total	71,640.33	72,111.03
c) Capital expenditure		
Within India	1,050.68	964.94
Outside India	-	85.74
Total	1,050.68	1,050.68

1) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organization structure and the internal financial reporting systems.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

- 2) The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.
- 3) All non-current assets of the company are located within India.
- 4) Information about major customers :
Two Customer contributed more than 10% (Aggregating amount ₹ 3104.52 Lakhs) to the Company's Revenue in 2023-24
Three Customer contributed more than 10% (Aggregating amount ₹ 5246.54 Lakhs) to the Company's Revenue in 2022-23

36 Tax Expense

(a) Tax charge/(credit) recognised in the Statement of Profit & Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax :		
Current tax for the Year	-	-
Tax adjustment of earlier year	-	14.73
MAT Credit entitlement	-	-
Total Current Tax (i)	-	14.73
Deferred Tax :		
Fixed Assets/Depreciation	7.75	51.20
Equity Component of Preference Share Capital	(80.22)	(74.61)
Provision for Gratuity / Leave Encashment	5.13	4.00
Provision for Doubtful Debts	-	(17.31)
Un Absorbed Depreciation/ Brought forward Losses	(686.36)	(499.90)
Others	-	-
Total Deferred Tax (ii)	(753.70)	(536.61)
Total Tax (i)+(ii)	753.70	(521.88)

(b) Tax on Other Comprehensive Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred Tax :		
(Gain)/Loss on remeasurement of defined benefit plans	(1.60)	(3.76)
Total Deferred Tax	(1.60)	(3.76)

(c) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	(1,048.02)	(1,579.85)
Tax using the domestic tax rate	34.944%	34.944%
Tax effect of :		
Non-deductible tax expenses	(753.70)	(536.61)
Deductible tax expenses	-	14.73
Total tax expenses in the statement of profit and loss	(753.70)	(521.88)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

(d) Movement in Deferred tax assets/liabilities

Movement during the year ended 31st March, 2024	As at April 1, 2023	Charge/ (Credit) in stmt of profit & loss	Charge/ (Credit) in OCI	Charge/ (Credit) in Other Equity	As at March 31, 2024
Property, Plant & Equipment	4,445.17	-	-	-	4,445.17
Depreciation	2,769.80	7.75	-	-	2,777.55
Equity Component of Preference Share Capital	2,256.92	(80.22)	-	-	2,176.71
Provision for Gratuity & Leave Encashment	(266.79)	5.13	-	-	(261.66)
Provision for Doubtful Debts	(76.40)	-	-	-	(76.40)
Un-absorbed Depreciation/ Brought forward Losses	(1,053.96)	(686.36)	-	-	(1,740.33)
Other temporary differences	(682.94)	-	1.60	-	(681.33)
MAT Credit Entitlement	(1,356.81)	-	-	-	(1,356.81)
Total	6,034.99	(753.70)	1.60	-	5,282.90

37 Earnings Per Share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (Loss) after Tax and exceptional items	(294.33)	(1,057.97)
Basic/weighted average number of equity shares outstanding during the year	1,442,885	1,442,885
Nominal value of Equity Share	10	10
Basic/Diluted EPS		
On Profit after Tax and exceptional items	(20.40)	(73.32)

38 Disclosure pursuant to Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013 :

In respect of unsecured loans given to subsidiary company :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
i) Hindusthan Speciality Chemicals Limited		
Outstanding as at the beginning of year	4,375.66	4,375.66
Loan given during the year	428.00	370.00
Repayment received during the year	428.00	370.00
Outstanding as at the end of year	4,375.66	4,375.66
Purpose	Business	Business
Interest Rate per annum	10.50%	10.50%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

39 Other Disclosures to Statement of Profit and Loss:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(a) NET GAIN/(LOSS) ON FOREIGN EXCHANGE				
SUNDRY DEBTORS				
For Export/Deemed Export	5.67		51.35	
SUNDRY CREDITORS				
For Import	7.18		6.18	
For Foreign Currency Loan	-		3.59	
For Machinery	-		2.44	
OTHERS	-		1.85	
	12.85		65.41	
(b) PAYMENT TO AUDITORS				
- Audit fees	2.50		2.50	
- Out of Pocket Expenses	-		0.09	
- Tax Audit	0.50		0.50	
- Other Services	0.73		0.73	
	3.73		3.81	
(c) AGGREGATE OF PROVISIONS, CONTINGENCIES OR COMMITMENT WRITTEN BACK AS NO LONGER REQUIRED				
Sundry Debtors Credit Balance Written off	(1.81)		(1.04)	
Sundry Credit Balance Written off	149.74		49.94	
Provision for Expenses, Bonus, Variable Pay etc.	24.02		61.50	
Others	0.00		(0.73)	
	171.95		109.66	
(d) VALUE OF IMPORTS CALCULATED ON C.I.F BASIS				
Raw Material	1,006.72		756.68	
Components & Spare Parts	2.99		3.40	
Capital Goods	-		83.30	
	1,009.71		843.39	
(e) EXPENDITURE IN FOREIGN CURRENCY				
Commission	4.96		42.65	
Others	24.62		45.11	
	29.58		87.76	
Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(f) VALUE OF IMPORTED/INDIGENOUS MATERIAL CONSUMED DURING THE YEAR ALONGWITH % IMPORTED				
Raw Materials	778.79	9.43%	931.21	9.95%
Stores and Spare Parts	3.08	0.36%	15.51	1.75%
INDIGENOUS				
Raw Materials	7,504.44	90.57%	8,423.09	90.05%
Stores and Spare Parts	868.66	99.64%	868.52	98.25%
	9,154.97		10,238.33	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(g) EARNINGS IN FOREIGN EXCHANGE		
Exports (F.O.B.)	1,421.69	1,449.30
Freight & Insurance on Export	89.47	100.39
Earning by sale under Global Tender	-	-
Domestic sale in Foreign Currency in India	-	-
	1511.16	1549.69

40. Financial Instruments : Fair Value Measurement

Financial Assets & Liabilities	Note	Level of hierarchy	31 March, 2024			31 March, 2023		
			Carrying Amount		Fair Value	Carrying Amount		Fair Value
			FVTPL	Amortised Cost		FVTPL	Amortised Cost	
Financial assets								
Investments in unquoted equity instruments	(b)		-	8,807.19	8,807.19	-	8,459.31	8,459.31
Trade receivables	(a)		-	6,109.39	6,109.39	-	6,858.39	6,858.39
Loans	(a, b)		-	4,375.66	4,375.66	-	4,390.58	4,390.58
Cash and cash equivalents	(a)		-	134.63	134.63	-	124.95	124.95
Other bank balances	(a, b)		-	117.21	117.21	-	306.55	306.55
Other financial assets	(a)		-	2,466.83	2,466.83	-	1,877.83	1,877.83
Total financial assets			-	22,010.91	22,010.91	-	22,017.62	22,017.62
Financial liabilities								
Non-current borrowings	(b)		-	4,162.94	4,162.94	-	4,677.18	4,677.18
Current borrowings	(a)		-	11,414.18	11,414.18	-	11,427.68	11,427.68
Trade payables	(a)		-	3,942.37	3,942.37	-	3,832.50	3,832.50
Derivative financial liabilities	(d)	Level 2	-	-	-	-	-	-
Other financial liabilities	(a)		-	1,005.70	1,005.70	-	1,284.37	1,284.37
Total financial liabilities			-	20,525.19	20,525.19	-	21,221.73	21,221.73

Note:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.
- The fair value is determined by using the valuation model/techniques with observable/non-observable inputs and assumptions.
- Derivatives are carried at fair value at each reporting date. The fair values of the derivatives financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
- There are no transfers between Level 1, Level 2 and Level 3 during the years ended 31 March 2024 and 31 March 2023.

Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

41. Financial Risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The Company through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see(i));
- liquidity risk (see(ii); and
- market risk (see(iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for Trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹ 2797.43 Lakhs (31 March 2023: ₹ 3129.58 Lakhs)

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	218.66	169.14
Add: Provided during the year (net of reversal)	-	49.52
Less: Amount written off/back	-	-
Balance at the end of the year	218.66	218.66

Expected credit loss on financial assets other than trade receivables:

With regard to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on standalone Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Parent Company's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

As at 31 March, 2024	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	15,577.12	15,577.12	11,414.18	4,162.94
Trade payables	3,942.37	3,942.37	3,942.37	-
Other financial liabilities	1,316.32	1,316.32	899.30	417.02

As at 31 March, 2023	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	16,104.86	16,104.86	11,427.68	4,677.18
Trade payables	3,832.50	3,832.50	3,832.50	-
Other financial liabilities	1,284.37	1,284.37	1,101.12	183.25

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Company. The functional currencies of the Company are primarily the INR, USD and EUR. The currencies in which these transactions are primarily denominated are USD and INR.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	31 March 2024				31 March 2023		
	USD	GBP	EURO	RUBAL	USD	GBP	EURO
Cash and cash equivalents	-	-	-	-	-	-	-
Trade receivable	710,811	-	191,524	3,570,000	932,796	-	279,050
Trade payables	(71,350)	(136,165)	-	-	(73,443)	(105,645)	(31,146)
Borrowings	-	-	-	-	(196,237)	(388,005)	(314,100)
Net exposure	639,461	(136,165)	191,524	3,570,000	663,115	(493,650)	(66,196)

Sensitivity analysis

A reasonable possible strengthening/ weakening of the EUR, USD or INR against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

	Profit or loss (before tax)	
	Strengthening	Weakening
31 March 2024		
USD (1% movement)	6,394.61	(6,394.61)
GBP (1% movement)	(1,361.65)	1,361.65
EUR (1% movement)	1,915.24	(1,915.24)
Rubal (1% movement)	35,700.00	(35,700.00)
31 March 2023		
USD (1% movement)	6,631.15	(6,631.15)
GBP (1% movement)	(4,936.50)	4,936.50
EUR (1% movement)	(661.96)	661.96

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate borrowings	-	-
Floating rate borrowings	15,577.12	16,104.86
Total borrowings	15,577.12	16,104.86

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher/ lower and all other variables were held constant, the Company's profit for the year ended 31 March 2023 would decrease / increase by 38.94 Lakhs (31 March 2023: 40.26 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

42. Capital Management

Risk management

The Company's objectives when managing capital are to:

- safeguarding their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

‘Net Debt’ (total borrowings net of cash and cash equivalents and other bank balances) divided by ‘Total Equity’ (as shown in the Standalone Balance sheet)

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt	15,577.12	15,673.36
Total equity	43,237.50	43,528.84
Net debt to equity ratio	0.36	0.37

Dividends

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Equity Shares	14,42,885	14,42,885
The Board of Directors have recommended not to pay any Dividend on Equity Shares this year		
(ii) Preference Shares	95,189,700	95,189,700
The Board of Directors have recommended not to pay any Dividend on Preference Shares this year		

(iii) Dividend not recognised at the end of the reporting year

In addition to the above dividends, since year end the directors have recommended not to pay any Dividend this year on equity shares as well as Preference Shares (31 March 2023: Nil)

43 Trade Receivables ageing schedule

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-5 years	More than 5 years	Total
Undisputed Trade receivables - considered goods	3311.96	530.84	596.79	1200.20	688.26	6328.05

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-5 years	More than 5 years	Total
Undisputed Trade receivables - considered goods	3728.81	497.95	167.93	1878.05	804.31	7077.05

Unbilled Dues (if any) - NIL

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

**44 Equity Share Capital - Shareholding of Promoters as under
As at 31 March 2024**

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hindusthan Consultancy and Services Limited	708825	49.13	708825	49.13	-
Carbo Industrial Holdings Ltd.	132820	9.21	132820	9.21	-
Promain Limited	117900	8.17	117900	8.17	-
Pradyumna Steels Limited	70000	4.85	70000	4.85	-
Hindusthan Business Corporation Limited	47000	3.26	47000	3.26	-
Rajendra Prasad Mody	500	0.03	500	0.03	-
Raghavendra Anant Mody	5107	0.35	4182	0.29	0.06
Total	1082152	75.00	1081227	74.94	0.06

As at 31 March 2023

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hindusthan Consultancy and Services Limited	708825	49.13	708825	49.13	-
Carbo Industrial Holdings Ltd.	132820	9.21	132820	9.21	-
Promain Limited	117900	8.17	117900	8.17	-
Pradyumna Steels Limited	70000	4.85	70000	4.85	-
Hindusthan Business Corporation Limited	47000	3.26	47000	3.26	-
Rajendra Prasad Mody	500	0.03	500	0.03	-
Raghavendra Anant Mody	4182	0.29	3866	0.27	0.02
Total	1081227	74.94	1080911	74.92	0.02

45 Trade Payable ageing schedule

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment/ date of transaction				
	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
MSME	400.77	-	-	-	400.77
Others	2726.82	449.37	215.38	150.03	3541.60
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment/ date of transaction				
	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
MSME	36.76	-	-	-	36.76
Others	2922.49	481.62	230.83	160.80	3795.74
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Unbilled Dues (if any) -

46 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment:

As at 31 March 2024

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	7.00	0.16
KMPs	-	-
Related Parties	4,375.66	99.84

As at 31 March 2023

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	13.00	0.30
KMPs	-	-
Related Parties	4,375.66	99.66

47 Capital-work-in Progress (CWIP) - ageing schedule

As at 31 March 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress (CWIP)	66.27	8.57	38.62	-	113.46
Intangible assets under development	-	-	-	-	-

As at 31 March 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress (CWIP)	36.22	8.57	38.62	-	83.41
Intangible assets under development	8.29	4.48	31.55	-	44.32

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

48 Assets held for sale and discontinued operations

Company had entered into a Memorandum of Understanding on 12th March 2024 with Nirmal Wires Pvt. Ltd. For the sale of company's Electrical Conductors unit at Khurda location with Land admeasuring 45.785 Acres for consideration of ₹ 7251.00 Lacs. Company has received a advance of ₹ 724.27 Lacs from Nirmal Wires Pvt. Ltd. The aforesaid transactions are likely to be completed during the financial year 2024-25 post completion of Condition Precedents and certain other actionable as identified in the said agreements.

The aforesaid transaction has been considered as highly probable and meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence, Company has classified Property, Plant & Equipment (including Land) of ₹ 3250.16 Lacs and Inventories of ₹ 297.06 Lacs as Assets held for Sale in respect of Electrical Conductors unit at Khurda location

The effect of the said agreement shall be given in the financials in the year where the transaction is over, in terms of transfer of assets and other obligations

The major classes of assets and liabilities

Particulars	As at March 31, 2024
Property, Plant and Equipment	3,250.16
Inventories	297.06
Total Assets	3,547.22
Liabilities	-

49 Security of current assets against borrowings - Details of Quarterly statements filed by the Company with banks -

Company has taken borrowings from banks on the basis of security of current assets for which quarterly statements of current assets filed by the company with banks are in agreement with the books of accounts and there is no material discrepancies.

50 Charges yet to be registered with ROC

Charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof - **Not Applicable**

51 Ratios -

As at 31 March 2024

Particulars	Numerator	Denominator	Current year	Preceding year	% Variance	Reason for variance (if more than 25%)
Current Ratio	Current assets	Current liabilities	1.03	1.14	-9.3%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.36	0.37	-2.6%	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.45	-0.14	-426.6%	Earnings available increase & Debt reduced
Return on Equity Ratio %	Net Profits after taxes	Average Shareholder's Equity	-0.68%	-2.40%	-71.7%	Net Loss reduced
Inventory turnover ratio	Cost of goods sold or sales	Average Inventory	1.98	1.99	-0.9%	
Trade Receivables turnover ratio	Revenue	Average Accounts Receivable	3.60	2.62	37.3%	Trade Receivable reduced
Trade payables turnover ratio	Purchases	Average Trade Payables	2.84	2.71	4.5%	
Net capital turnover ratio	Revenue	Working Capital	26.19	9.26	182.9%	Working Capital reduced
Net profit ratio %	Net Profit after Tax	Revenue	-1.26%	-4.77%	-73.6%	Net Loss reduced
Return on Capital employed %	Earning before interest and taxes	Capital Employed	0.41%	-0.47%	-186.4%	Earnings increase
Return on investment %	Income generated from investments	Time weighted average investments	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

As at 31 March 2023

Particulars	Numerator	Denominator	Current year	Preceding year	% Variance	Reason for variance (if more than 25%)
Current Ratio	Current assets	Current liabilities	1.50	1.59	-5.41	-
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.37	0.38	-3.43	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-0.14	-0.38	-64.15	Decrease in Sale with lower margin
Return on Equity Ratio %	Net Profits after taxes	Average Shareholder's Equity	-0.02	-0.03	-14.02	-
Inventory turnover ratio	Cost of goods sold or sales	Average Inventory	1.99	2.71	-26.29	Decrease in Sale with lower margin
Trade Receivables turnover ratio	Revenue	Average Accounts Receivable	2.62	2.41	8.95	-
Trade payables turnover ratio	Purchases	Average Trade Payables	2.71	2.13	27.60	Company is paying its suppliers promptly
Net capital turnover ratio	Revenue	Working Capital	2.58	2.84	-9.21	-
Net profit ratio %	Net Profit after Tax	Revenue	-0.05	-0.04	9.29	-
Return on Capital employed %	Earning before interest and taxes	Capital Employed	0.00	-0.01	-57.01	Decrease in Sale with lower margin
Return on investment %	Income generated from investments	Time weighted average investments	-	-	-	-

52 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current years classification disclosure.

53 The financials statements has been approved by the Board on 28th May, 2024.

As per our report of even date
For K. N. Gutgutia & Company
 Chartered Accountants
 FRN: 304153E

(B. R. Goyal)
 Partner
 Membership No: 12172

Place: New Delhi
 Date : 28th May, 2024

**For and on behalf of the Board of directors of
 Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
 (DIN : 03158072)
 Chairman and Whole Time Director

Deepak Kejriwal
 (DIN : 07442554)
 Managing Director

Vishal Pachisia
 Chief Financial Officer
 PAN:AFRPP4570J

M.L.Birmiwala
 President-Finance &
 Company Secretary

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HINDUSTHAN URBAN INFRASTRUCTURE LIMITED

I. Report on the Audit of Consolidated Financial Statements for the year ended 31st March 2024

1. Opinion

- A. We have audited the accompanying Consolidated Financial Statements of **HINDUSTHAN URBAN INFRASTRUCTURE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 consolidated state of affairs of the Group as at March 31, 2024, of its **consolidated Loss** and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated 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 that there are no key audit matters to be communicated in our report.

4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

- A. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- B. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

- A. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the other accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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,

INDEPENDENT AUDITOR'S REPORT (Contd.)

relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

- B. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and are also responsible for overseeing the financial reporting process of the Group.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial statements

- A. Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the consolidated 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.
 - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv) 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - v) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- C. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
- D. 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- E. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated 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

We did not audit the financial statement/ financial information of **Hindusthan Speciality Chemicals Limited** the subsidiary of the Company, whose financial statements /financial information reflect **total assets** (before consolidation adjustments) of ₹ **37,860.92 lacs** as at 31st March 2024 and **total revenue** (before consolidation adjustments) of ₹ **29,507.77 lacs**, total **net loss after tax** (before consolidation adjustments) of ₹ **4464.64 lacs** and **net cash inflows** (before consolidation adjustments) of ₹ **(16.37) lacs** for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub- section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable 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 of the aforesaid consolidated financial statements.
 - B. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books.
 - C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - D. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - E. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary incorporated in India, none of the directors is disqualified as on March 31, 2024 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**," which is based on the auditors' reports of the Holding and subsidiary incorporated in India.
 - G. 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note 31 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group incorporated in India.
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign

INDEPENDENT AUDITOR'S REPORT (Contd.)

entity ("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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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.
 - (d) The Company and its subsidiaries had neither declared nor paid any dividend during the year.
 - (e) Based on our examination which included test checks, and as per auditor report of it's subsidiary, the Company and it's subsidiary has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
2. 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, its holding company and its subsidiary covered under the Act paid remuneration to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act.
3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**FOR K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN 304153E**

**Sd/-
(B.R. GOYAL)
PARTNER
M. NO. 12172**

**PLACE: NEW DELHI
DATE: 28.5.2024**

UDIN: 24012172BJZZDP7198

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE "A" TO THE INDEPNEDNT AUDITOR'S REPORT

(Referred to in point F of paragraph II under "Report on Other Legal and Regulatory Requirements" section of our report to the members of HINDUSTHAN URBAN INFRASTRUCTURE LIMITED of even date)

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

Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of **HINDUSTHAN URBAN INFRASTRUCTURE LIMITED** (hereinafter referred to as "Holding") and its subsidiary company, which are incorporated in India as of that date.

In our opinion to the best of our information and according to the explanations given to us, the Holding and its subsidiary company, which are companies incorporated in India, have, 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, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)(the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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.

**FOR K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
FRN 304153E**

**Sd/-
(B.R. GOYAL)
PARTNER
M. NO. 12172**

**PLACE: NEW DELHI
DATE: 28.5.2024**

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non - current assets			
(a) Property, Plant and Equipment	2	30,236.46	35,599.38
(b) Capital work - in - progress	3	243.85	136.37
(c) Investment Properties	4	22,095.80	22,167.41
(d) Other Intangible Assets	5(a)	935.97	1,125.92
(e) Intangible assets under development	5(b)	-	44.31
(f) Financial assets			
(i) Investment	6	377.88	30.00
(ii) Loans	10	-	8.33
(iii) Other Financial Assets	11	170.69	25.33
(g) Other non - current assets	13	1,491.56	1,408.20
Total non - current assets		55,552.21	60,545.25
(2) Current assets			
(a) Inventories	7	14,350.40	15,087.35
(b) Financial assets			
(i) Trade receivables	8	12,932.34	12,740.22
(ii) Cash and cash equivalents	9 (I)	851.87	858.58
(iii) Other bank balances	9 (II)	155.68	306.55
(iv) Loans	10	-	6.58
(v) Other Financial Assets	11	332.83	141.98
(c) Current Tax Assets (Net)	12	275.07	246.65
(d) Other Current Assets	13	2,137.88	1,075.38
Total current assets		31,036.08	30,463.29
3. Assets held for sale and discontinued operations	48	3,547.22	-
Total Assets		90,135.51	91,008.53
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	14	144.29	144.29
(b) Other equity		35,438.23	37,645.86
(c) Non-controlling interests		1,181.07	2,540.28
Total equity		36,763.59	40,330.43
(2) LIABILITIES			
A Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	21,220.91	14,029.78
(ii) Other financial liabilities	17	106.40	183.25
(b) Provisions	18	501.51	509.79
(c) Deferred tax liabilities (net)	19	1,148.05	3,076.45
(d) Other Non-current liabilities	20	417.02	75.01
Total non - current liabilities		23,393.88	17,874.28
B Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	14,965.13	18,778.27
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	16	824.47	374.24
(b) total outstanding dues of creditors other than (ii) (a) above	16	10,436.14	10,829.52
(iii) Other financial liabilities	17	1,277.70	1,763.36
(b) Other current liabilities	20	2,166.50	770.75
(c) Provisions	18	308.11	287.69
Total current liabilities		29,978.05	32,803.82
Total Equity & Liabilities		90,135.51	91,008.53
Material accounting policies	1		
Notes to the financial statements	2-54		

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 28th May, 2024

**For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Deepak Kejriwal
(DIN : 07442554)
Managing Director

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

M.L.Birmiwala
President-Finance &
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)			
Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	21	52,825.73	58,463.18
II Other income	22	548.64	763.69
III Total income (I + II)		53,374.37	59,226.87
IV Expenses			
Cost of Materials Consumed	23	32,181.79	40,474.59
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	506.67	(1,006.84)
Employee benefits expense	25	3,736.38	3,351.34
Finance costs	26	4,195.25	4,021.63
Depreciation and amortization expense	27	2,819.64	2,745.95
Other expenses	28	15,447.31	17,623.10
Total expenses		58,887.04	67,209.76
V Profit/(Loss) before exceptional items and tax (III - IV)		(5,512.67)	(7,982.90)
VI Exceptional items	30	-	-
VII Profit/(Loss) before tax (V - VI)		(5,512.67)	(7,982.90)
VIII Tax expense/(benefit)	36		
(1) Current tax		-	-
(2) Deferred tax		(1,933.36)	(2,190.83)
(3) Tax adjustment of earlier years		-	14.73
(4) Minimum Alternate Tax (Credit) Entitlement		-	-
IX Profit / (Loss) for the year (VII - VIII)		(3,579.31)	(5,806.80)
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	29	17.41	4.74
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.93)	(2.19)
Total Other Comprehensive Income for the year		12.48	2.54
XI Total Comprehensive Income for the year (IX + X)		(3,566.83)	(5,804.26)
XII Profit attributable to:			
Owners of the Company		(2,215.35)	(3,836.23)
Non-controlling interests		(1,363.96)	(1,970.57)
XIII Other Comprehensive income attributable to:			
Owners of the Company		7.72	4.39
Non-controlling interests		4.76	(1.85)
XIV Total Comprehensive income attributable to:			
Owners of the Company		(2,207.63)	(3,831.84)
Non-controlling interests		(1,359.21)	(1,972.42)
XV Earnings per equity share:	37		
(1) Basic		(153.54)	(265.88)
(2) Diluted		(153.54)	(265.88)
Material accounting policies	1		
Notes to the financial statements	2-54		

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 28th May, 2024

**For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

Deepak Kejriwal
(DIN : 07442554)
Managing Director

M.L.Birmiwala
President-Finance &
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(Loss) Before Tax	(5,512.67)	(7,982.90)
Adjustments for :		
Depreciation & amortisation expense	2,819.64	2,745.95
Unrealised Foreign Exchange Fluctuation Loss/(Gain)	(42.51)	(18.38)
Finance Cost	4,650.35	4,021.63
Provision for Allowance for Doubtful Debts / Bad Debts W/off	-	111.71
Liability/Sundry Balance Written back	(171.95)	(109.65)
Provision for Employee Benefits	-	1.70
Re-measurement of defined benefit plans transferred to OCI	17.41	4.74
Rental Income	(893.87)	(707.83)
Interest Income	(559.13)	(115.98)
Profit on Sale of Property, Plant & Equipment	(68.05)	(460.78)
Operating Profit Before Working Capital Changes	239.21	(2,552.42)
Adjustments for:		
(Increase)/Decrease in Trade Receivables	(598.75)	7,065.70
(Increase)/Decrease in Loans and Other Assets	(1,447.51)	498.96
(Increase)/Decrease in Inventories	439.89	862.76
Increase/(Decrease) in Trade Payable, Provisions & Other liabilities	1,845.66	(2,430.24)
Cash Generated from Operations	478.50	3,444.76
Direct Tax Paid (net of refund)	28	(16.04)
Net Cash Inflow /(Outflow) from Operating Activities	450.08	3,460.80
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition / Purchase of PPE & Other Intangible Assets	(521.08)	(1,952.31)
Sale Proceeds of Property, Plant & Equipment (PPE)	80.66	585.24
Purchase of Investment Property	(347.88)	(48.13)
Interest Income Received	559.13	166.12
(Investment)/Redemption in Term Deposit with bank as margin money (including unclaimed dividend)	150.87	176.80
Rental Income	893.87	695.81
Net Cash Inflow /(Outflow) from Investing Activities	815.58	(376.46)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From / (Repayment) of Short Term Borrowings (net)	(1,312.13)	(1,216.37)
Loan taken from /(repaid to) Related parties	7,556.00	3,166.00
Proceeds From Long Term Borrowings	(2,865.87)	-
Proceeds from /(Repayment) of Long term Borrowings	-	(3,482.57)
Finance Cost Paid	(4,650.35)	(4,150.02)
Net Cash Inflow /(Outflow) from Financing Activities	(1,272.35)	(5,682.97)
Net Increase/ (Decrease) in cash & cash equivalents	(6.70)	(2,598.63)
Cash & cash equivalents at Beginning of the Year	858.58	3,457.21
Cash & cash equivalents at End of the Year	851.88	858.58
Components of cash & cash equivalents:		
- Balance with Banks : On current accounts	21.55	14.18
- Cash on hand	0.63	6.34
- Term Deposits with Banks (with maturity of less than 3 months)	829.70	838.06
	851.88	858.58

- 1) The above cash flow has been prepared under the "Indirect Method" as set out in Ind AS-7 : Statement of Cash Flows
- 2) Acquisition/Purchase of Property, Plant & Equipment includes movement of capital work in progress, Intangible assets under development and capital advances & capital payable, paid during the year.

Material accounting policies
Notes to the financial statements

1
2-54

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
Chartered Accountants
FRN: 304153E

(B. R. Goyal)
Partner
Membership No: 12172

Place: New Delhi
Date : 28th May, 2024

**For and on behalf of the Board of directors of
Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
(DIN : 03158072)
Chairman and Whole Time Director

Deepak Kejriwal
(DIN : 07442554)
Managing Director

Vishal Pachisia
Chief Financial Officer
PAN:AFRPP4570J

M.L.Birmiwala
President-Finance &
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

A Equity Share Capital

Particulars	Issued		Subscribed & fully paid up	
	No of Shares	Amount	No of Shares	Amount
Equity shares of ₹ 10 each				
As at March 31, 2023	1443000	144.30	1442885	144.29
As at March 31, 2024	1443000	144.30	1442885	144.29

B Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Equity Component of	Grand Total		
	Capital Redemption Reserve	General Reserve	Surplus/ (Deficit)	Remeasurement of Defined Benefit Plans	Redeemable Preference Share Capital (Net of Taxes)	Total Attributable to Owners of the Company	Non-Controlling Interests	Total
Balance as at 01.04.2022 (A)	26.44	39,545.72	(4,374.76)	(55.19)	4,848.37	41,477.70	4,512.70	45,990.40
Non-Controlling Interest in Subsidiary	-	-	-	-	-	-	-	-
Profit for the year	-	-	(5,806.80)	-	-	(3,836.23)	(1,970.57)	(5,806.80)
Items of OCI for the year ended, net of tax	-	-	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-	-	2.54	-	4.39	(1.85)	2.54
Total Comprehensive Income for the year 2022-23 (B)	-	-	(5,806.80)	2.54	-	(3,831.84)	(1,972.42)	(5,804.26)
Increase / Reductions during the year	-	-	-	-	-	-	-	-
Proposed Dividend on Equity	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-
Less : Ind-AS 116 transition effect	-	-	-	-	-	-	-	-
Non-Controlling Interest in Subsidiary	-	-	-	-	-	-	-	-
Transferred to / (from) - Surplus / (Deficit)	-	-	-	-	-	-	-	-
Total (C)	-	-	-	-	-	-	-	-
Balance as at 31.03.2023 (A)+(B)+(C) (D)	26.44	39,545.72	(10,181.56)	(52.65)	4,848.37	37,645.86	2,540.28	40,186.14
Non-Controlling Interest in Subsidiary	-	-	-	-	-	-	-	-
Profit for the year	-	-	(3,579.31)	-	-	(2,215.35)	(1,363.96)	(3,579.31)
Items of OCI for the year ended, net of tax	-	-	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-	-	12.48	-	7.72	4.76	12.48
Total Comprehensive Income for the year 2023-24 (E)	-	-	(3,579.31)	12.48	-	(2,207.63)	(1,359.21)	(3,566.83)
Less : Ind-AS 116 transition effect	-	-	-	-	-	-	-	-
Total (F)	-	-	-	-	-	-	-	-
Balance as at 31.03.2024 (D)+(E)+(F) (G)	26.44	39,545.72	(13,760.87)	(40.17)	4,848.37	35,438.23	1,181.07	36,619.31

Material accounting policies

1

Notes to the financial statements

2-54

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company
 Chartered Accountants
 FRN: 304153E

(B. R. Goyal)
 Partner
 Membership No: 12172

Place: New Delhi
 Date : 28th May, 2024

**For and on behalf of the Board of directors of
 Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
 (DIN : 03158072)
 Chairman and Whole Time Director

Deepak Kejriwal
 (DIN : 07442554)
 Managing Director

Vishal Pachisia
 Chief Financial Officer
 PAN:AFRPP4570J

M.L.Birmiwala
 President-Finance &
 Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

GROUP INFORMATION

Hindusthan Urban Infrastructure Limited (the 'Company') is a public limited Company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is located at 'Kanchenjunga' (7th Floor), 18, Barakhamba Road, New Delhi, India. The Company is listed on the Bombay Stock Exchange (BSE).

The Group is engaged mainly in the business of manufacturing & selling electrical conductors, insulator products & chemical products and also engaged in real-estate activity of renting out property.

These Consolidated financial statements were approved and adopted by board of directors of the Company in their meeting held on 28th May, 2024.

1. MATERIAL ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

(a) Statement of compliance

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(b) Historical cost convention

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(c) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.2 The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and unrealized profits.
- ii. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind-AS 110), "Consolidated Financial Statements" and using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The subsidiary companies considered in the consolidated financial statements are as under:

Name	Country of Incorporation	Percentage of Ownership
Hindusthan Speciality Chemicals Ltd.	India	58.50%

- iii. The parent company's portion of equity in the subsidiary is determined on the basis of the book value of assets and liabilities as per the financial statements of the subsidiary on the date of investment.
- iv. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interest in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

1.3 Current & non-current classification:

The assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Current assets include the portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after reporting date; or
- d) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

1.4 Property, Plant and Equipment and Intangible Assets

(i) Property, Plant and Equipment

Property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, and any directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure incurred on start-up and commissioning of the project and/or substantial expansion, including the expenditure up to the date of commencement of commercial production are capitalised. Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(ii) Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances paid towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

(iii) Intangible Assets

• Acquired Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

• Internally generated intangible assets

Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

(iv) Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(v) Depreciation and Amortisation

• Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method as per the useful lives and in the manner prescribed under Part C of Schedule II of the Companies Act, 2013.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

On increase in value due to revaluation on the basis of remaining useful life as estimated by the valuer, the corresponding amount is directly transferred to General Reserve from Revaluation Reserve.

- **Amortisation**

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Profit and Loss.

The estimated useful life of intangible assets like Product development, Software systems etc. has been estimated as five years.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

1.5 Impairment

The Group assesses at each Balance Sheet date whether there is any indication that an asset/cash generating unit may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset/cash generating unit. If such recoverable amount of the asset or the recoverable amount of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss.

An assessment is also done at each balance sheet date whether there is any indication that an impairment loss recognized for an asset/cash generating unit in prior accounting periods may no longer exist or may have decreased. If any such indications exists, the assets/ cash generating unit's recoverable amount is estimated. The carrying amount of the fixed asset/ cash generating unit is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous periods. A reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss.

1.6 Revenue Recognition

Revenue from sale of products & services is recognized when the significant risks and rewards of ownership of the products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably. Revenues are shown net of Goods & Service Tax (GST) and discounts, if any.

Income from subsidy, disbursed/dispersible by the Governments is included in other operating income. The subsidy amount is recognized only to the extent that the realization is reasonably assured.

Dividend income is recognized when the right to receive the income is established.

Income from interest on deposits and loans is recognized on time proportionate basis.

Export incentives/ benefits are accounted for on accrual basis in the year in which exports are made and are included in other operating income.

1.7 Government grants and subsidies

The Group is entitled to subsidies from government in respect of manufacturing unit located in specified regions.

Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Group will comply with all necessary conditions attached to them.

Government subsidy relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Consolidated Statement of Profit and Loss on a straight line basis over the expected life of the related assets and presented within other operating revenue.

1.8 Inventory

Inventories are stated at lower of cost or net realisable value except scrap which is valued at net estimated realizable value.

The cost for the purpose of valuation is computed on the basis of weighted average price in case of Conductors and Chemical business, whereas in case of Insulators Division on the basis of First-in-First out (FIFO).

Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

authorities) and all other costs incurred in bringing the inventory to their present location and condition.

The cost of work-in-progress and finished goods comprises of raw materials, packing materials, direct labour, other direct costs, and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion/ reprocessing and the estimated cost necessary to make the sale.

1.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) Financial Assets

The Group recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

a) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the statement of profit and loss and is included in the "Other income" line item.

b) Investment in Equity Instruments at fair value through profit & loss

These investments are initially measured at fair value plus transaction costs subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in profit & loss

c) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

B) Financial Liabilities

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.10 Derivative financial instrument

The Group uses derivative financial instruments, such as forward & Options currency contracts to hedge its foreign currency risks. Derivative financial instruments are measured at their fair value at the end of each reporting period

1.11 Measurement of Fair Values

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

1.12 Investment in Subsidiary Companies

The Group has elected to recognize its investments in subsidiary companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 6.

1.13 Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Consolidated Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Other Comprehensive Income.

1.14 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

1.15 Provisions and Contingencies

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.16 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

1.17 Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Recognition and measurement of defined contribution plans:

The Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during the reporting period.

II. Defined Benefit plans:

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the actuarial valuation techniques with actuarial valuations being carried out at each reporting date. Re-measurements of the net defined benefit liability / (asset) comprising actuarial gains and losses, are recognized in Other Comprehensive Income. The Group presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Group determines the liability for such accumulated leaves using the actuarial valuation techniques.

1.18 Research & Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

1.19 Borrowing Cost

Borrowing cost includes interest, ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

1.20 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

1.21 Events after Reporting date

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

The Company had entered into a Memorandum of Understanding on 12th March 2024 for the sale of company's Electrical Conductors unit at Khurda location.

The aforesaid transaction has been considered as highly probable and meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence, Company has classified Property Plant & Equipment (including Land) and Inventories as Assets held for Sale in respect of Electrical Conductors unit at Khurda location.

1.22 Earnings Per Share

a) *Basic earnings per share*

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

b) *Diluted earnings per share*

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders after taking income tax effect of interest and other finance cost associated with dilutive potential equity shares and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.23 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided over its useful life using the Straight-Line Method

1.24 Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items

1.25 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.26 Key Accounting estimates and judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Defined benefit obligation

The costs of providing post-employment benefits are charged to the Consolidated Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 33, 'Employee benefits'.

c. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Consolidated Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using prudent valuation techniques, which involve various judgements and assumptions.

d. Income taxes

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions/deferred tax liability/assets.

1.27 Non current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell. Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale. Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

2 Property, Plant & Equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & equipment	QC Laboratory Instruments	R&D Laboratory Instruments	Plantation	Computers & IT equipment	Office equipment	Furniture & fixtures	Motor Vehicle	ROU Asset	Total
Gross Block													
As at 01.04.2022	1,007.00	913.12	15,214.47	35,857.72	166.67	237.91	-	138.07	238.19	654.74	510.07	46.26	54,984.22
Additions	3.75	-	193.84	2,123.63	3.60	88.78	27.20	9.04	10.81	41.87	61.38	-	2,563.90
Disposals	-	-	-	(992.16)	-	-	-	(5.31)	(9.12)	(4.70)	(28.95)	-	(1,040.24)
Other adjustments	-	-	5.59	(11.31)	-	-	-	-	-	-	-	-	(5.72)
As at 31.03.2023	1,010.75	913.12	15,413.90	36,977.88	170.27	326.69	27.20	141.79	239.88	691.91	542.50	46.26	56,502.15
As at 01.04.2023	1,010.75	913.12	15,413.90	36,977.88	170.27	326.69	27.20	141.79	239.88	691.91	542.50	46.26	56,502.15
Additions	-	-	46.42	289.74	-	7.31	-	24.99	12.30	1.24	74.70	-	456.71
Disposals	-	-	-	(99.72)	-	-	-	(5.02)	(1.10)	-	(8.19)	(46.26)	(160.30)
Asset Held for sale	(1,010.75)	-	(2,325.92)	(3,799.59)	-	-	(27.20)	(6.26)	(15.78)	(22.12)	(1.16)	-	(7,208.78)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2024	(0.00)	913.12	13,134.41	33,368.31	170.27	334.00	-	155.50	235.31	671.03	607.85	0.00	49,589.79
Depreciation													
As at 01.04.2022	-	79.90	3,717.23	14,448.20	44.08	47.48	-	110.77	197.01	323.33	327.97	46.26	19,342.22
Charge for the year	-	8.92	495.62	1,818.69	16.10	23.33	1.29	10.48	12.03	60.98	34.60	-	2,482.04
Disposals	-	-	-	(877.75)	-	-	-	(5.05)	(8.41)	(4.24)	(26.05)	-	(921.50)
Adjustments	-	-	-	-	-	-	-	-	-	-	0.01	-	0.01
As at 31.03.2023	-	88.82	4,212.85	15,389.14	60.18	70.81	1.29	116.21	200.63	380.06	336.53	46.26	20,902.78
As at 01.04.2023	-	88.82	4,212.85	15,389.14	60.18	70.81	1.29	116.21	200.63	380.06	336.53	46.26	20,902.78
Charge for the year	-	8.92	507.42	1,877.11	12.15	23.32	1.64	17.46	13.72	58.31	36.81	-	2,556.87
Disposals	-	-	-	(93.72)	-	-	-	(4.77)	(1.04)	-	(1.90)	(46.26)	(147.69)
Asset Held for sale	-	-	(848.31)	(3,066.85)	-	-	(2.93)	(5.95)	(14.98)	(18.59)	(1.01)	-	(3,958.62)
As at 31.03.2023	-	97.73	3,871.97	14,105.68	72.33	94.13	-	122.95	198.33	419.79	370.43	(0.00)	19,353.33
Net Block													
As at 31.03.2023	1,010.75	824.30	11,201.05	21,588.74	110.09	255.88	25.91	25.59	39.25	311.85	205.98	0.00	35,599.38
As at 31.03.2024	(0.00)	815.38	9,262.44	19,262.62	97.93	239.88	-	32.55	36.98	251.25	237.42	0.00	30,236.46

3 Capital Work in Progress

Particulars	Capital Work in Progress
As at 31.03.2023	136.37
As at 31.03.2024	243.85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

4 Investment Properties

Particulars	Land at Banera	Land at Bangalore (including Site development)	Land at Guwahati	Land at Faridabad	Building at Faridabad	Building at Guwahati	Total
Gross Block							
As at 01.04.2022	0.91	1,098.86	738.60	19,046.00	986.43	967.17	22,837.96
Additions	-	-	-	-	14.78	33.35	48.13
Other adjustments	-	-	-	-	-	-	-
As at 31.03.2023	0.91	1,098.86	738.60	19,046.00	1,001.21	1,000.51	22,886.09
As at 01.04.2023	0.91	1,098.86	738.60	19,046.00	1,001.21	1,000.51	22,886.09
Additions	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
As at 31.03.2024	0.91	1,098.86	738.60	19,046.00	1,001.21	1,000.51	22,886.09
Depreciation							
As at 01.04.2022	-	-	-	-	384.61	263.30	647.91
Charge for the year	-	-	-	-	39.69	31.08	70.77
Other adjustments	-	-	-	-	-	-	-
As at 31.03.2023	-	-	-	-	424.30	294.38	718.68
As at 01.04.2023	-	-	-	-	424.30	294.38	718.68
Charge for the year	-	-	-	-	39.64	31.97	71.61
Other adjustments	-	-	-	-	-	-	-
As at 31.03.2024	-	-	-	-	463.95	326.35	790.29
Net Block							
As at 31.03.2023	0.91	1,098.86	738.60	19,046.00	576.91	706.14	22,167.41
As at 31.03.2024	0.91	1,098.86	738.60	19,046.00	537.27	674.17	22,095.80
Fair Value #							
As at 31.03.2023	0.91	8,050.52	23,121.56	768.14	1,190.25	1,025.89	34,157.27
As at 31.03.2024	0.91	8,050.52	23,121.56	768.14	1,190.25	1,025.89	34,157.27

Estimation of Fair Value

The company obtained independent valuations of its investment properties last year. The best evidence of fair value was the current prices in an active market for similar properties. The fair values of investment properties have been determined by M/s Bhavin R Patel & Associates, Chartered Engineers & Registered Valuers for our property situated at Bangalore, Faridabad & Guwahati. This year no valuation is obtained as there is no significant change in fair value.

	Year ended March 31, 2024	Year ended March 31, 2023
Rental income derived from investment properties	893.87	707.83
Direct operating expenses (including repairs and maintenance) generating rental income	24.18	174.11
Income arising from investment properties before depreciation	822.26	533.72
Depreciation	71.61	70.77
Income arising from investment properties (Net)	750.65	462.94

Premises given on operating lease:

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between 2 and 5 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

The total future minimum lease rentals receivable at the Balance Sheet date are as under:

	As at March 31, 2024	As at March 31, 2023
For a period not later than one year	948.30	1,050.00
For a period later than one year and not later than five years	4,543.08	3,980.33
For a period later than five years	-	-
Total	5,491.38	5,030.33

5(a) Other Intangible Assets

Particulars	Computer softwares	Product Development	Intangible Assets	Total
Gross Block				
As at 01.04.2022	270.53	135.00	1,815.69	2,221.22
Additions	4.83	-	-	4.83
Disposals	(22.31)	(135.00)	-	(157.32)
As at 31.03.2023	253.04	-	1,815.69	2,068.73
As at 01.04.2023	253.04	-	1,815.69	2,068.73
Additions	-	-	1.20	1.20
Disposals	-	-	-	-
Other adjustments	-	-	-	-
As at 31.03.2024	253.04	-	1,816.89	2,069.93
Amortization				
As at 01.04.2022	240.77	135.00	531.21	906.98
Charge for the year	8.41	-	184.73	193.14
Disposals	(22.31)	(135.00)	-	(157.31)
Adjustments	-	-	-	-
As at 31.03.2023	226.88	0.00	715.93	942.81
As at 01.04.2023	226.88	0.00	715.93	942.81
Charge for the year	3.76	-	187.39	191.15
Disposals	-	-	-	-
Adjustments	-	-	-	-
As at 31.03.2024	230.64	0.00	903.32	1,133.96
Net Block				
As at 31.03.2023	26.16	(0.00)	1,099.76	1,125.92
As at 31.03.2024	22.40	(0.00)	913.57	935.97

5(b) Intangible Assets under development

Particulars	Total
As at 31.03.2023	44.31
As at 31.03.2024	0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

6 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
Investments in Equity Shares				
a) Unquoted Equity Shares (Measured at Cost)				
Narmada Clean Tech Limited (NCTL)	-	30.00	-	30.00
b) Unquoted Equity Shares (Measured at Cost)				
INVESTMENT IN OPTIONALLY CONVERTIBLE DEBENTURES	-	257.40	-	-
INVESTMENT IN SHARES	-	90.48	-	-
c) Mutual Funds:Quoted (Measured at FVTPL)				
Aditya Birla Sunlife Cash Plus	-	-	-	-
Total	-	377.88	-	30.00

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Units	Amount	No. of Units	Amount
Aggregate amount of unquoted investments				
Investments in Equity Shares				
Narmada Clean Tech Limited (NCTL) (Rs 10 each)	300,000	30.00	300,000	30.00
Continuum Green Energy (India) Private Limited (Rs 10 each)*	904,800	90.48	-	-
Investments in Optionally Convertible Debentures				
Continuum Green Energy (India) Private Limited (Rs 10 each)*	2,574,000	257.40	-	-

7 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Raw materials - In hand	3,003.75	2,487.71
(ii) Work-in-Progress	5,321.71	6,290.65
(iii) Finished Goods	4,784.18	4,346.70
(iv) Stores & Spares and Packing	963.64	1,957.63
(v) Stock in Trade	571.71	2.18
(vi) Scrap	2.46	2.46
Reclassified to Assets held for sale and discontinued operations	(297.06)	-
Total	14,350.40	15,087.35

8 Trade Receivables

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Trade receivables considered good - Secured	-	-	134.45	82.30
- Unsecured, considered good (over six months)	-	-	-	-
- Unsecured, considered good (others)	-	-	6,193.60	-
Trade receivables considered good - Unsecured	-	-	13,016.55	12,876.58
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	-	-	-	-
Total	-	-	13,151.00	12,958.88
Less: Loss allowance	-	-	(218.66)	(218.66)
Total	-	-	12,932.34	12,740.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

9 Cash & cash equivalents and Other Bank Balances

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Cash and Bank Balances				
(I) Cash & cash equivalents				
(i) Balance with Banks Current Accounts	-	-	21.55	-
(ii) Cash on Hand	-	-	4.91	6.34
(iii) Deposits with Banks held as Margin money/ Security (Maturity of less than three months)	-	-	825.41	838.06
	-	-	851.87	858.58
(II) Other Bank Balances				
Earmarked Balances with Banks - Unclaimed Dividend	-	-	0.39	0.67
Deposits with Banks held as Margin money/ Security (Maturity of more than 3 months and upto 12 months)	-	-	155.29	305.88
	-	-	155.68	306.55
Total	-	-	1,007.55	1,165.13

10 Loans

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good				
Loans to related parties	-	-	-	-
Loans to employees	-	8.33	-	6.58
Total	-	8.33	-	6.58

Break-up of security details

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	-	14.91
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	-	14.91

11 Financial Assets: Others

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good				
Interest accrued but not Due - Unsecured	-	-	25.51	29.68
Forex Exchange Fluctuation-Forward Contract	-	-	5.70	-
SGST Incentive Receivable	-	-	245.92	112.30
Interest receivable	-	-	-	-
Insurance Claim Receivable	-	-	13.05	-
Deposits with Banks held as Margin money/ Security (Maturity of more than twelve months)	170.69	25.33	-	-
	-	-	42.65	-
Total	170.69	25.33	332.83	141.98

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

12 Current Tax Assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Payment of Tax / TDS / TCS (Net of Provision for Income Tax)	275.07	246.65
Total	275.07	246.65

13 Other Assets

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
(I) Capital Advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	165.80	69.97	-	-
(II) Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
(A) (i) Sales Tax (Under Litigation)	102.91	138.80	-	-
(ii) Municipal Corporation (Under Litigation)	6.07	5.15	-	-
(iii) Central Excise & Custom (Under Litigation)	8.56	6.89	-	-
(iv) Electricity Board (Under Litigation)	414.76	27.91	-	-
(B) Others -				
(i) Tender	148.12	52.53	-	-
(ii) Electricity	285.82	293.97	-	-
(iii) Others	187.62	732.88	-	7.01
Less: Provision for doubtful deposits	-	-	-	-
(III) Earnest Money Deposit - Lien Fixed Deposit	-	-	-	-
- Others	7.81	47.16	-	-
(IV) Deposit/ Credit with Government Authorities	-	-		
Custom, Excise & Service Tax , GST	-	-	1,280.00	517.83
MEIS License	-	-	26.07	-
Sales tax	-	-	-	28.27
(V) Subsidies/ incentives receivable from Central/ State government	4.35	-	255.52	-
(V) Advances to Suppliers	-	3.63	221.44	223.58
Less: Provision for doubtful advances	-	-	-	-
(VI) Advance to Employees	-	-	31.70	20.44
Less: Provision for doubtful advances	-	-	-	-
(VII) Others				
Related Parties	18.65	-	196.35	-
Others	0.00	29.31	126.79	278.25
Total	1,491.56	1,408.20	2,137.88	1,075.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

14 Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
25,00,000 (31 March 2023 : 25,00,000) Equity Shares of ₹ 10/- each.	250.00	250.00
Issued		
14,43,000 (31 March 2023 : 14,43,000) Equity Shares of ₹ 10/- each.	144.30	144.30
Subscribed & Fully Paid up		
14,42,885 (31 March 2023 : 14,42,885) Equity Shares of ₹ 10/- each.	144.29	144.29
Total	144.29	144.29

(a) Reconciliation of shares outstanding at the beginning and at end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
Opening Balance	1,442,885	144.29	1,442,885	144.29
Add:- Addition during the Year	-	-	-	-
Less:- Deletion during the Year	-	-	-	-
Closing Balance	1,442,885	144.29	1,442,885	144.29

(b) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share.

Shares in respect of each class in the company held by its holding company rights ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate : NIL

Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts : NIL

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company has not Issued equity share capital including shares allotted for consideration other than cash during the last five years.

(c) Details of Shareholders holding more than 5% equity shares in the company

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Equity Shares	Percentage Holding	No. of Equity Shares	Percentage Holding
Hindusthan Consultancy & Services Ltd.	708,825	49.12%	708,825	49.12%
Carbo Industrial Holdings Ltd.	132,820	9.21%	132,820	9.21%
Promain Ltd.	117,900	8.17%	117,900	8.17%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

15 Borrowings

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Secured Loans from Banks:				
a) - Term Loan (Rupee Loan)	5,305.71	7,582.68	1,463.46	1,952.53
Less:- Current Maturities	(1,463.46)	(1,952.53)	-	-
	3,842.25	5,630.15	1,463.46	1,952.53
b) - Term Loan (FCLR Loan)	-	3,557.00	-	796.44
Less:- Current Maturities	-	(796.44)	-	-
	-	2,760.56	-	796.44
c) Term Loan (GECL)	5,357.11	3,325.62	1,325.28	746.82
Less:- Current Maturities	(1,325.28)	(746.82)	-	-
	4,031.83	2,578.80	1,325.28	746.82
d) Unsecured Loans				
From Related parties (Unsecured)	10,057.00	-	6,755.00	9,256.00
	10,057.00	-	6,755.00	9,256.00
e) Liability Component of Redeemable Preference Shares				
	3,289.84	3,060.28	-	-
	3,289.84	3,060.28	-	-
f) Working Capital Facilities from Banks- Secured (Repayable on Demand)				
<i>Foreign Currency Loan</i>				
PCFC Loan	-	-	-	385.00
FCNR Loan	-	-	-	-
	-	-	-	385.00
<i>Rupee loan</i>				
Cash Credit	-	-	5,421.39	5,641.48
Working Capital Demand Loan	-	-	-	-
	-	-	5,421.39	5,641.48
Total	21,220.91	14,029.78	14,965.13	18,778.27

a) Term Loan (Rupee Loan)

(i) **Type of Loan :** 10.50% p.a. Term loan Canara Bank, New Delhi of ₹ 4500 Lakhs is sanctioned on 14.08.2015 by Canara Bank, New Delhi for our Khurda Projects against which ₹ 4064.34 Lakhs availed (**Outstanding amount - Nil (Previous Year ₹ 409.66 Lakhs)**).

Nature of Security: The loan is secured by exclusive charge on land & building and other fixed/movable/immovable assets situated at Village-chmpajhara, Distt- Khurda, Bhubaneswar.

Terms of Repayment : The said loan is repayable in 32 quarterly structured instalments starting from quarter ending December' 2015 and ending on quarter ending November'2023.

(ii) **Type of Loan :** 7.85% p.a. GECL 2.0 Term loan of ₹ 1010 Lakhs from Canara Bank is sanctioned on 03.03.2021 against which ₹ 800.72 lakh availed till 31.03.2023 (**Outstanding amount - Nil (Previous Year - ₹ 548.72 Lakhs)**).

Nature of Security : Secured by second charge on primary security/collateral security.

Terms of Repayment: The loan is repayable in 47 equated monthly instalments of ₹ 21 lakhs & last instalment of ₹ 23 lakhs after moratorium period of 12 months from the date of disbursement.

(iii) **Type of Loan :** GECL (Guaranteed Emergency Credit Line) Loan sanctioned by State Bank of India @ 7.95% p.a. of ₹ 852 Lakhs (**Outstanding amount - ₹ 531.20 Lakhs (Previous Year ₹ 744.82 Lakhs)**)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Nature of Security : Secured by Second pari-passu charge over entire stock of raw material, finished goods, stock in process, consumable stores& spares, packing materials, book debts, outstanding monies, receivables, claims and bills etc. of IEC division of the company and Collateral security given as Second pari-passu charge on movable and immovable fixed assets of IEC division situated at Plot No. 1-8, New Industrial Area, Mandideep, Raisen, MP along with IDBI Bank.

Terms of Repayment: The same are repayable in 48 monthly instalments commencing from 31.10.2022.

- (iv) **Type of Loan :** Further GECL (Guaranteed Emergency Credit Line) Loan sanctioned by State Bank of India @ 7.95% p.a. of ₹ 426 Lakhs (**Outstanding amount - ₹ 386.36 Lakhs (Previous Year ₹ 422.23 Lakhs)**)

Nature of Security : Secured by Second pari-passu charge over entire stock of raw material, finished goods, stock in process, consumable stores& spares, packing materials, book debts, outstanding monies, receivables, claims and bills etc. of IEC division of the company and Collateral security given as Second pari-passu charge on movable and immovable fixed assets of IEC division situated at Plot No. 1-8, New Industrial Area, Mandideep, Raisen, MP along with IDBI Bank.

Terms of Repayment: The same are repayable in 48 monthly instalments commencing after a moratorium period 24 months from the date of disbursement respectively.

- (v) **Type of Loan :** GECL (Guaranteed Emergency Credit Line) Loan sanctioned by IDBI @ 8.60% p.a. ₹ 400 Lakhs (**Outstanding amount - ₹ 375.01 Lakhs (Previous Year ₹ 400 Lakhs)**)

Nature of Security : Secured by Second pari-passu charge over entire stock of raw material, finished goods, stock in process, consumable stores& spares, packing materials, book debts, outstanding monies, receivables, claims and bills etc. of IEC division of the company and Collateral security given as Second pari-passu charge on movable and immovable fixed assets of IEC division situated at Plot No. 1-8, New Industrial Area, Mandideep, Raisen, MP along with SBI Bank

Terms of Repayment: The same are repayable in 48 monthly instalments commencing after a moratorium period 24 months from the date of disbursement respectively.

- (vi) Term Loan sanctioned by State Bank of Bikaner & Jaipur (merged with State Bank of India) @ 11.50% p.a. ₹ 5000 Lakhs and by State Bank of Hyderabad (merged with State Bank of India) @ 11.50 % p.a. ₹ 2500 Lakhs (Outstanding amount of ₹ 2757.50 Lakhs (Previous Year ₹ 3557 Lakhs), by Andhra Bank (merged with Union Bank of India) @ 12.25% p.a. ₹ 3280 Lakhs (Outstanding amount of ₹ 1348.40 Lakhs (Previous Year ₹ 1696.44 Lakhs)) and by Corporation Bank (merged with Union Bank of India) @ 11.55% p.a. ₹ 6500 Lakhs (Outstanding amount of ₹ 2664.74 Lakhs (Previous Year ₹ 3366.81 Lakhs)) is secured by first pari-pasu charge by way of mortgage of all the immovable properties and assets including project land (including leasehold right), first pari-pasu charge by way of hypothecation on all of tangible movable fixed assets both present & future, interest, title, benefits, claims and demands in the material project documents, project clearances, letter of credit, guarantees, liquidated damages, performance bond and under insurance contracts, first pari-pasu charge by overall bank account & profit after tax of the company & second pari-pasu charge on the entire current assets of the company and Corporate Guarantee of holding company namely, Hindusthan Urban Infrastructure Ltd. The same is repayable in 25 quarterly instalments commencing from September 2021.

- (vii) GECL (Guaranteed Emergency Credit Line) Loan sanctioned by State Bank of India @ 7.95% p.a. ₹ 1100 Lakhs (Outstanding amount of ₹ 504.16 Lakhs (Previous Year ₹ 779.17 Lakhs)), and by Union Bank of India @ 7.80% p.a. ₹ 1535.00 Lakhs (Outstanding amount of ₹ 821.69 Lakhs (Previous Year ₹ 1170.53 Lakhs)) are secured by second pari-pasu charge by way of mortgage of all the immovable properties and assets including project land (including leasehold right), second pari-pasu charge by way of hypothecation on all of tangible movable fixed assets both present & future, interest, title, benefits, claims and demands in the material project documents, project clearances, letter of credit, guarantees, liquidated damages, performance bond and under insurance contracts, second pari-pasu charge by overall bank account & profit after tax of the company & second pari-pasu charge on the entire current assets of the company and Corporate Guarantee of holding company namely, Hindusthan Urban Infrastructure Ltd. The same are repayable in 48 monthly instalments commencing from March 2022 respectively.

- (viii) Further GECL (Guaranteed Emergency Credit Line) Loan sanctioned by State Bank of India @ 7.95% p.a. ₹ 600 Lakhs (Outstanding amount of ₹ 562.42 Lakhs (Previous Year ₹ 599.92)), and by Union Bank of India @ 7.85% p.a. ₹ 776.00 Lakhs (Outstanding amount of ₹ 711.33 Lakhs (Previous Year ₹ 776.00 Lakhs)) are secured by second pari-pasu charge by way of mortgage of all the immovable properties and assets including project land (including leasehold right), second pari-pasu charge by way of hypothecation on all of tangible movable fixed assets both present & future, interest, title, benefits, claims and demands in the material project documents, project clearances, letter of credit, guarantees, liquidated damages, performance bond and under insurance contracts, second pari-pasu

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

charge by overall bank account & profit after tax of the company & second pari-pasu charge on the entire current assets of the company and Corporate Guarantee of holding company namely, Hindusthan Urban Infrastructure Ltd. The same are repayable in 48 monthly instalments commencing after a moratorium period 24 months from the date of disbursement respectively.

- b) **Loans repayable on demand** - Inter-corporate loans taken during the year from related parties repayable on demand
- c) **Liability Component of Redeemable Preference Shares** : Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹ 9518.97 Lakhs issued on 12.12.2018. Present Value of Principal amount of such shares at the end of 20 years considered as Liability Component as per Ind-AS 32 using discount rate @ 7.50% is ₹ 3289.84 Lakhs (Previous year - ₹ 3060.28 Lakhs). Interest expense recognised during the year as per Ind-AS 32 is ₹ 229.55 lakhs (Previous year - ₹ 213.51 Lakhs)

d) **Working Capital Facilities for Banks :**

- (i) **Type of Loan:** Working capital facilities from State Bank of India, Bhopal Branch & IDBI Bank, Bhopal Branch for the Insulator division against which drawing is ₹ 4239.72 Lakhs (Previous year - ₹ 4869.15 Lakhs)

Nature of Security: Secured against hypothecation of all types of stocks and book debts and other receivable situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj, Distt-Raisen, M.P. or such other place as approved by bank and secured collaterally by way of second charge on fixed assets of insulators division situated at plot no 1-8, New Industrial area Mandideep, Tehsil-Goharganj, Distt-Raisen, M.P.

16 Trade payables (including Acceptances)*

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Total outstanding dues of micro and small enterprises	824.47	374.24
Total outstanding dues of creditors other than micro and small enterprises	10,436.14	10,829.52
Total	11,260.61	11,203.76

*Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

17 Other financial liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Interest accrued but not due on borrowings	-	-	44.22	26.78
Interest payable	-	-	278.85	502.34
Unclaimed dividend	-	-	0.39	0.67
Other Payables	-	-	795.93	840.05
Creditors For Capital Goods	-	-	3.53	243.56
Other Deposits : Trade/Service deposits	106.40	183.25	154.77	135.35
Mark to Market Balance against outstanding forward contract	-	-	-	14.61
Total	106.40	183.25	1,277.70	1,763.36

18 Provisions

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Provision for employee benefits	501.51	509.79	308.11	287.69
Contract Loss provision	-	-	-	-
Total	501.51	509.79	308.11	287.69

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

19 Deferred tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities on:		
- Fixed assets U/s-32	10,371.09	10,321.22
- Equity Component of Preference Share Capital	2,176.71	2,256.92
	12,547.80	12,578.15
Deferred tax assets on:		
- Bonus, gratuity & leave salary U/s-43B	316.31	315.93
- Provision for doubtful debts U/s-36(1)(vii)	63.23	63.23
- Business loss / Un Absorbed Depreciation U/s-72	8,986.90	7,087.63
- Other Temporary Differences	651.43	651.43
- Other Comprehensive Income	25.07	26.67
	10,042.95	8,144.89
MAT Credit Entitlement	1,356.81	1,356.81
Net Deferred Tax Liabilities	1,148.05	3,076.45

20 Other Liabilities

Particulars	Non-current		Current	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Advances from customers	-	-	857.05	187.37
Deferred Security Deposit (Rent)	69.14	75.01	12.95	18.82
Statutory Liabilities				
- Income Tax (TDS)	-	-	196.72	134.96
- Goods & Service Tax (GST)	-	-	1,050.76	395.75
- Others	347.88	-	49.03	33.85
Total	417.02	75.01	2,166.50	770.75

21 Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products & services		
(i) Conductors & Cables	624.75	-
(ii) Insulators	20,976.48	20,803.44
(iii) Real Estate (Rental Income)	863.91	707.83
(iv) Epoxy Resin & Allied Products	29,297.52	36,213.32
	51,762.66	57,724.59
Other operating revenue		
(i) Scrap Sales	277.66	563.88
(ii) Export Incentives	24.59	43.72
(iii) Subsidy Income	-	-
(iv) Packing, Stores & Spares Sales	626.37	130.50
(v) Agriculture Income	0.83	0.49
(vi) SGST Incentive Income	133.62	-
	1,063.07	738.59
Revenue from Operations (Gross)	52,825.73	58,463.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

22 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A) INTEREST INCOME		
From FDR's	52.74	72.11
From Customers	25.69	21.50
From Investment	-	-
From Related Parties	-	-
From Others	25.60	22.37
(B) OTHER NON- OPERATING INCOME		
Fluctuation in Exchange Rate (Net)	125.55	-
Claims Received (Net)	1.59	9.09
Profit on Sale of Fixed Assets	68.05	460.78
Liabilities No Longer Required & Sundry Credit Balance Written Back	171.95	109.65
Subsidy Income	-	42.64
Entry Tax Refund	-	0.31
Profit/(Loss) on Purchase of MEIS	-	3.66
Interest Received on Income Tax	-	2.26
Miscellaneous Income	77.46	19.32
Total	548.64	763.69
Total Revenue	53,374.37	59,226.87

23 Cost of Materials Consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw Material Consumption	32,182.44	52,382.16
Increase Decrease in Finished Goods / WIP and Scrap	0.65	208.73
Raw Material	32181.79	50840.29

24 Changes in inventories of finished goods, stock-in-trade & work-in-progress

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
Finished Goods	4,346.70	4,369.90
Work-In-Progress	6,290.22	5,197.61
Stock-in-trade	2.18	2.21
Scrap	2.46	65.01
	10,641.56	9,634.72
Inventories at the end of the year		
Finished Goods	4,784.18	4,346.70
Work-In-Progress	5,321.71	6,290.22
Stock-in-trade	29.01	2.18
Scrap	-	2.46
	10,134.90	10,641.56
Total	506.67	(1,006.84)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

25 Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries & wages	3,434.02	3,059.58
Contribution to provident & other funds	225.02	211.49
Staff & Workmen welfare expenses	77.35	80.28
Total	3,736.38	3,351.34

26 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(1) INTEREST		
On Term Loan	1,435.30	1,680.26
On Working Capital Borrowings	878.93	948.96
On Exchange difference to the extent considered as adjustment to borrowing cost	-	-
On Liability Component of Redeemable Preference Share Capital	229.55	213.51
On Lease Liability	-	-
On Others	1,293.49	811.12
	3,837.27	3,653.84
(2) OTHER BORROWING COST		
Bank Charges	357.97	367.79
Total	4,195.25	4,021.63

27 Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Property, plant & equipment	2,556.87	2,482.04
Depreciation on Investment Properties	71.61	70.77
Amortization of Intangible assets	191.15	193.14
Depreciation of Right of Use Asset	-	-
Total	2,819.64	2,745.95

28 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
MANUFACTURING EXPENSES		
(i) Stores & Spares	1,012.06	1,086.78
(ii) Packing & Forwarding Expenses (Net)	2,786.88	2,436.36
(iii) Power & Fuel	6,320.20	8,386.56
(iv) Repairs to Building	145.13	59.29
(v) Repairs to Machinery	166.25	276.52
(vi) Jobs on Contract	3,274.00	3,130.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

28 Other expenses (Contd...)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
SELLING AND ADMINISTRATION		
(i) Rent	98.20	135.40
(ii) Insurance	103.26	110.18
(iii) Rates & Taxes	81.45	105.57
(iv) Repairs - Others	83.15	107.44
(v) Directors Meeting Fees	8.00	8.40
(vi) Payment to Auditors	5.78	6.44
(vii) Charity & Donation	-	-
(viii) Brokerage & Commission	15.98	79.24
(ix) Bad Debts Written off	1.16	62.19
(x) Allowance for Doubtful Debts	-	49.52
(xi) Legal & Professional Charges	311.62	356.61
(xii) Travelling & Conveyance	402.44	333.55
(xiii) Fluctuation in Exchange Rate (Net)	-	310.06
(xiv) Security Charges Paid	113.34	101.94
(xv) Miscellaneous Expenses	518.41	480.40
Total	15,447.31	17,623.10

29 Other Comprehensive Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	17.41	4.74
	17.41	4.74
Items that will be reclassified to profit or loss		
	-	-
	-	-
Total	17.41	4.74

30 Exceptional items

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Exceptional items	-	-
Total	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

31 Contingent Liabilities & Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
(1) Contingent liabilities (to the extent not provided for)		
(A) Guarantee		
(a) The Parent Company has given following corporate guarantees on behalf of group companies under sale tax, excise, custom etc.:		
Hindusthan Engineering & Industries Ltd. (Group company), under sales tax, excise, custom etc	6.50	6.50
(b) Outstanding guarantees furnished by banks on behalf of the group	437.54	1,985.27
(c) Outstanding letters of credit furnished by banks on behalf of the group	6,419.87	6,431.41
(B) Claims against group, disputed by the group, not acknowledged as debt:		
(a) Income Tax demand under appeal *	-	4.28
(b) Excise Duty show cause notices/demands under appeal	423.72	61.57
(c) Claims against the group for Sales/Purchase Tax/VAT	417.53	388.54
(d) Claims against the group for Labour Cases/MCF & Other under litigation	-	219.79
(2) Commitments as at year end: (to the extent not provided for)		
(A) Capital Commitments:		
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	-	110.71
(B) Other Commitments:		
(i) Sales order to be executed against Government and Private Contracts	100.37	10,978.19
(ii) Liability in respect of sales bills discounted with banks/NBFC's	1,478.52	1,101.74

32 Disclosure requirement under MSMED Act, 2006

(in Lakhs)

The Group has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

There are no micro and small enterprises, to whom the group owes dues, which are outstanding for more than 45 days as at 31st March, 2024. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023.
Principal amount due and remaining unpaid to any supplier at the end of the each accounting year	824.47	374.24
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006 (27 of 2006), alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small & Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year, and	-	-
The amount of further interest remaining due and payable in succeeding year, until such interest when the interest dues above are actually paid to the small enterprises, for the purpose of disallowances on account of deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006.	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

33 Employee Benefits

As per Ind-AS 19 on "Employee Benefits", the disclosures of Employee Benefits are given below:

a) Defined Contribution Scheme

Particulars	As at March 31, 2024	As at March 31, 2023
Contribution to Defined Contribution Plan, recognized for the year are as under:		
Employer's Contribution to Provident Fund	141.90	127.42
Employer's Contribution to Pension Fund	62.81	65.84
Employer's-ESI Contribution	12.08	13.62
Total	216.79	206.88

b) Defined Benefit Scheme

Disclosure as required by Ind AS 19 on Employee Benefits in respect of gratuity and leave encashment are as follows:

Particulars	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
	2023-24	2022-23	2023-24	2022-23
Net expenses recognised during the year 2023-24				
Current Service Cost	38.01	30.12	56.82	50.34
Interest Cost	8.84	6.03	50.15	45.01
Expected return on plan assets	-	-	-	-
Actuarial Losses / (Gains)	9.31	15.70	(17.42)	(4.73)
Past Service Cost	-	-	-	-
Net benefit expenses	56.16	51.84	89.55	90.62
Net assets/(Liability) recognized in Balance Sheet as at 31st March, 2024				
Present Value of Defined Benefit Obligation	141.53	118.95	668.08	678.52
Fair Value of plan assets	-	-	-	-
Net Liabilities recognised in Balance Sheet	141.53	118.95	668.08	678.52
Change in the Present value of obligation over the year ended 31st March, 2024				
Present Value of Defined Benefit				
Obligation as on 1st April, 2023	118.94	86.81	678.51	667.07
Interest Cost	28.28	6.03	69.84	45.01
Past Service Cost	2.73	-	3.32	-
Current Service Cost	15.84	30.12	33.81	50.34
Benefits Paid	(33.57)	(19.70)	(100.01)	(79.18)
Actuarial (Gain) / loss on obligation	9.31	15.70	(17.41)	(4.73)
Present Value of Defined Benefit Obligation as on 31st March, 2024	141.53	118.95	668.07	678.52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Other Comprehensive Income	Gratuity (Non-Funded)	
	2023-24	2022-23
Actuarial (gains) / losses		
change in demographic assumptions	-	-
change in financial assumptions	2.62	0.47
experience variance (i.e. Actual experience vs assumptions)	(20.03)	(5.20)
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	(17.41)	(4.73)

Major Actuarial Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	Segment	Leave Encashment (Non-Funded)		Gratuity (Non-Funded)	
		2023-24	2022-23	2023-24	2022-23
Financial Assumptions					
Discount Rate					
(based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities)	Conductor	7.38%	7.43%	7.43%	7.43%
	Insulators	7.38%	7.30%	7.38%	7.38%
	Chemical	7.14%	7.47%	7.14%	7.47%
Salary increase					
(based on account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis)	Conductor	5.00%	5.00%	5.00%	5.00%
	Insulators	5.00%	5.00%	5.00%	5.00%
	Chemical	5.00%	5.00%	5.00%	5.00%
Demographic Assumptions					
Mortality Rate (% of IALM 2012-14)	Conductor	100.00%	100.00%	100.00%	100.00%
(inclusive of provision for disability)	Insulators	100.00%	100.00%	100.00%	100.00%
	Chemical	100.00%	100.00%	100.00%	100.00%
Withdrawal rates, based on age: (per annum)					
Up to 30 years	Conductor	3.00%	3.00%	3.00%	3.00%
	Insulators	0.50%	0.50%	0.50%	0.50%
	Chemical	0.50%	3.00%	0.50%	3.00%
31 - 44 years	Conductor	2.00%	2.00%	2.00%	2.00%
	Insulators	0.20%	0.20%	0.20%	0.20%
	Chemical	0.20%	2.00%	0.20%	2.00%
Above 44 years	Conductor	1.00%	1.00%	1.00%	1.00%
	Insulators	0.10%	0.10%	0.10%	0.10%
	Chemical	0.10%	1.00%	0.10%	1.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Sensitivity Analysis

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
Impact of the change in discount rate	2023-24	2023-24
Present Value of Obligation at the end of the period	141.53	668.08
Impact due to increase of 0.50 %/1.00%	(4.84)	(11.24)
Impact due to decrease of 0.50 %/1.00%	5.17	12.00
Impact of the change in salary increase		
Present Value of Obligation at the end of the period	141.53	668.08
Impact due to increase of 0.50 %/1.00%	5.29	3.90
Impact due to decrease of 0.50 %/1.00%	(4.91)	(3.60)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

The defined benefit obligations shall mature after the end of reporting period is as follows:	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)
	2023-24	2023-24
Expected cash flows over the next (valued on undiscounted basis):		
1 Year	50.92	257.17
1 to 6 years	24.23	275.22
More than 6 years	66.37	135.69

Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:-

- A) Salary Increases : Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

34. Related Party Disclosures

A. List of Related Parties and relatives with whom transactions have taken place

Enterprise which have significant influence over the group

Hindusthan Consultancy and Services Ltd.

Director(s)/ Key Managerial Personnel :

Mr. Raghavendra Anant Mody, Chairman & Whole-time Director

Mr. Deepak Kejriwal, Managing Director

Mr. Shyam Sunder Bhuwania, Director

Mr. Mool Chand Gauba, Independent Director

Mr. Sadhu Ram Bansal, Independent Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Ms. Deepika Agrawal, Independent Director
Mr. Murari Lal Birmiwala, President - Finance & Secretary
Mr. Vishal Pachisia, Chief Finance Officer

Relatives of Director(s)/Key Managerial Personnel :

Mrs. Sanchita Mody
Ms. Devhuti Mody

Others

Hindusthan Vidyut Products Ltd Employee Provident Fund Trust
Hindusthan Engineering & Industries Ltd.
Hindusthan M-I Swaco Limited
Promain Ltd.
Orient Bonds and Stock Limited
Pradyumna Steels Ltd.
Paramount Enterprises Ltd.
Intercontinental Trading and Investment Company Ltd.
Olympic General Trading Ltd.
Ratlam Industrial Ltd.
Associated General Trading Society Ltd.
Mody Investment & Manufacturing Co. Pvt. Ltd.
Mody Education Foundation

B. Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business.

i) With parties other than Directors / Key Managerial personnel

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of Stores & Spares/PPE		
Hindusthan M-I Swaco Limited	0.59	37.80
Sale of PPE /Goods		
Hindusthan Engineering & Industries Ltd.	-	-
Rent paid /payable		
Promain Limited	75.61	90.49
Hindusthan Engineering & Industries Ltd.	0.14	0.14
Hindusthan Consultancy and Services Ltd.	-	4.67
Rent received/ receivable		
Hindusthan Chemicals Limited	1.65	-
Reimbursement of Expenses Received /Receivable		
Hindusthan Engineering & Industries Ltd.	-	-
Reimbursement of Expenses Paid /Payable		
Hindusthan Engineering & Industries Ltd.	-	4.22
Brand Fee Paid		
Hindusthan Consultancy and Services Ltd.	7.50	18.92
Provident Fund Deposit (Paid/Payable)		
Hindusthan Vidyut Products Ltd Employee Provident Fund Trust	57.66	58.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest Paid / Payable		
Hindusthan Consultancy and Services Ltd.	63.06	80.25
Hindusthan Engineering & Industries Ltd.	717.67	339.87
Orient Bonds and Stock Limited	33.27	42.22
Pradyumna Steels Ltd.	28.25	28.13
Paramount Enterprises Ltd.	57.78	57.00
Intercontinental Trading and Investment Company Ltd.	23.76	23.63
Olympic General Trading Ltd.	10.30	11.15
Promain Limited	3.65	5.00
Ratlam Industrial Ltd.	55.87	59.70
Associated General Trading Society Ltd.	10.30	11.15
Mody Investment and Manufacturing Co. Pvt. Ltd.	30.73	20.70
Shivam Dealmark Pvt. Ltd.	1.33	-
Starrise Merchants Private Ltd.	1.33	-
Loan - Received		
Hindusthan Engineering & Industries Ltd.	7,966.00	3,141.00
Orient Bonds and Stock Limited	330.00	-
Pradyumna Steels Ltd.	35.00	-
Paramount Enterprises Ltd.	1,790.00	-
Intercontinental Trading and Investment Company Ltd.	50.00	-
Hindusthan Consultancy and Services Ltd.	600.00	-
Olympic General Trading Ltd.	-	-
Ratlam Industrial Ltd.	200.00	-
Associated General Trading Society Ltd.	-	-
Promain Limited	125.00	-
Mody Investment and Manufacturing Co. Pvt. Ltd.	320.00	500.00
Starrise Merchants Private Ltd.	1,000.00	-
Shivam Dealmark Pvt. Ltd.	1,000.00	-
Loan - Repaid		
Hindusthan Engineering & Industries Ltd.	3,845.00	-
Hindusthan Consultancy and Services Ltd.	750.00	-
Orient Bonds and Stock Limited	-	225.00
Pradyumna Steels Ltd.	-	-
Paramount Enterprises Ltd.	465.00	-
Ratlam Industrial Ltd.	550.00	-
Associated General Trading Society Ltd.	100.00	-
Olympic General Trading Ltd.	100.00	-
Intercontinental Trading and Investment Company Ltd.	-	-
Promain Limited	50.00	-
Mody Investment and Manufacturing Co. Pvt. Ltd.	-	250.00
Security Amount Given for Premises taken on Rent		
Promain Limited	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

ii) With Directors/Key Managerial Personnel

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Remuneration to Key Managerial Personnel:		
Mr. Raghavendra Anant Mody	180.00	175.51
Mr. Deepak Kejriwal	63.30	61.53
Mr. Murari Lal Birmiwala	38.13	35.78
Mr. Sushil Kumar Mishra	-	22.36
Mr. Annuj Khandelwal	1.27	0.66
Mr. Rahul Sahni	-	51.58
Mr. Neeraj Jain	-	2.15
Mr. Praveen Kumar Saini	-	10.19
Mr. Himanshu Singh	-	4.88
Mr. Ganesh Santosh Langde	-	20.93
Mr. Vishal Pachisia	39.60	-
Mr. Yogesh Tank	38.81	-
Mr. Himanshu Singh(Resigned)	4.05	-
Mr. Ganesh Santosh Landge(Resigned)	1.84	-
Mr. Satej Mahadeo Nabar	166.51	-
Mr. Sanjay Bharti	4.12	-
Mr. Dhawal Jitendra Suchak	5.58	-
Advisory Fees Paid to Key Managerial Personnel:		
Mr. Shyam Sunder Bhuwania	12.00	12.00
Loan Given		
Mr. Deepak Kejriwal	-	15.00
Mr. Rahul Sahni	-	4.00
Mr. Neeraj Jain	-	2.40
Loan Given Repaid		
Mr. Deepak Kejriwal	6.00	2.00
Mr. Rahul Sahni	-	2.67
Mr. Neeraj Jain	-	1.60
Outstanding - Loan Given		
Mr. Deepak Kejriwal	7.00	13.00
Mr. Rahul Sahni	-	-
Mr. Neeraj Jain	-	-
Sitting Fees :		
Mr. Mool Chand Gauba	0.90	1.70
Mr. Ratan Lal Nangalia	0.70	-
Mr. Sadhu Ram Bansal	1.60	3.35
Ms. Deepika Agrawal	1.60	3.35
Professional Fees paid to relative of Director		
Salary paid to relative of Director(s)/ Key Managerial Personnel:		
Mrs. Sanchita Mody	90.00	81.06
Ms. Devhuti Mody	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Outstanding - Receivable		
Hindusthan Engineering & Industries Ltd.	-	-
Hindusthan Consultancy and Services Ltd.	-	-
Outstanding - Payable		
Hindusthan Engineering & Industries Ltd.	0.14	27.26
Hindusthan Consultancy and Services Ltd.	-	2.88
Hindusthan M-I Swaco Limited	26.66	34.07
Promain Limited	-	21.11
Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding - Loan taken (including interest payable)		
Hindusthan Engineering & Industries Ltd.	10,524.67	6,612.76
Orient Bonds and Stock Limited	599.00	267.13
Pradyumna Steels Ltd.	312.19	277.15
Paramount Enterprises Ltd.	1,880.78	554.36
Intercontinental Trading and Investment Company Ltd.	276.87	226.81
Olympic General Trading Ltd.	-	100.85
Ratlam Industrial Ltd.	200.49	556.38
Associated General Trading Society Ltd.	-	100.85
Promain Limited	125.15	50.38
Hindusthan Consultancy and Services Ltd.	600.72	761.67
Mody Investment and Manufacturing Co. Pvt. Ltd.	282.14	251.85
Starrise Merchants Private Ltd.	1,001.20	-
Shivam Dealmark Pvt. Ltd.	1,001.20	-
Mody Investment & Manufacturing Co. Pvt. Ltd.	291.89	-
Guarantees and collaterals by the Group		
Hindusthan Engineering & Industries Ltd.	6.50	6.50

35 Segment Reporting

- l) Based on the guiding principles given in Ind AS-108 "Operating Segment", The Vice-Chairman and Managing Director of the Parent Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Company's business segments are organised around customers on industry and product lines as under:
- Conductor:** Conductor includes electrical conductor and related items.
 - Insulator:** Insulator includes electrical insulator and related items.
 - Real-estate :** Real-estate includes Property at Faridabad given for rent purpose.
 - Speciality Chemicals:** Speciality Chemicals includes business of Subsidiary Company "Hindusthan Speciality Chemicals Ltd."
 - Others :** This segment is engaged in Investment activities.

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

No operating segments have been aggregated to form the above reportable operating segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs are not allocated to individual segments as the underlying instruments are managed on a Company basis

Current taxes and Deferred taxes are not allocated to those segments as they are also managed on a Company basis

A Business Segment

Segment information for the year ended 31st March, 2024

Particulars	Conductor	Insulators	Real-estate	Speciality Chemicals	Others	Un-Allocated	Total
Revenue from Operations (Gross)	1,239.34	21,184.75	893.87	29,507.77	-	-	52,825.73
	(350.45)	(21,100.75)	(707.83)	(36,304.16)	-	-	(58,463.18)
Results							
Segment result	96.62	322.23	515.23	(1,796.40)	-	-	(862.32)
	(80.62)	(149.93)	(462.94)	(3,955.49)	-	-	(3,261.99)
Interest Income	-	-	-	-	-	531.49	531.49
	-	-	-	-	-	(529.56)	(529.56)
Finance cost	-	-	-	-	-	1,982.09	1,982.09
	-	-	-	-	-	(1,988.12)	(1,988.12)
Unallocable Corporate Expenditure	-	-	-	-	-	-	-
	-	-	-	-	-	(599.63)	(599.63)
Profit /(Loss) before taxation & exceptional items	-	-	-	-	-	-	(1,048.02)
	-	-	-	-	-	-	(1,579.85)
Exceptional Items	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Net Profit/ (Loss) before tax	-	-	-	-	-	-	(5,512.67)
	-	-	-	-	-	-	(7,982.90)
Tax Expense	-	-	-	-	-	-	(1,933.36)
	-	-	-	-	-	-	(2,176.10)
Net Profit/ (Loss) after tax	-	-	-	-	-	-	(3,579.31)
	-	-	-	-	-	-	(5,806.80)

Particulars		Conductor	Insulators	Real-estate	Speciality Chemicals	Others	Un-Allocated	Total
Other Information	As at							
Segment assets	Mar 31, 2024	11,905.59	28,567.40	22,095.80	26,943.75	347.88	275.07	90,135.49
	Mar 31, 2023	(6,419.29)	(28,517.28)	(22,241.11)	(33,584.19)	-	(246.65)	(91,008.53)
Segment liabilities	Mar 31, 2024	11,455.34	11,437.19	227.30	22,724.70	-	5,282.90	51,127.43
	Mar 31, 2023	(10,068.70)	(12,254.83)	(184.41)	(25,093.71)	-	(3,076.46)	(50,678.11)
Capital Employed	Mar 31, 2024	450.25	17,130.21	21,868.50	4,219.05	347.88	(5,007.83)	39,008.06
	Mar 31, 2023	3,649.41	(16,262.45)	(22,056.70)	(8,490.48)	-	2,829.82	(40,330.41)
Depreciation	Mar 31, 2024	319.71	755.04	70.77	1,674.11	-	-	2,819.63
	Mar 31, 2023	(364.89)	(713.10)	(70.77)	(1,597.18)	-	-	(2,745.94)

Figures in brackets represents previous year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

B Additional Information by Geographies For the year ended 31st March, 2024

Particulars	March 31, 2024	March 31, 2023
a) Revenue from operations by geographical location of customers (Gross)		
Within India	51,404.04	56,916.61
Outside India	1,421.69	1,546.57
Total	52,825.73	58,463.18
b) Carrying amount of segment assets		
Within India	89,370.61	90,218.80
Outside India	764.88	789.72
Total	90,135.49	91,008.52
c) Capital expenditure		
Within India	1,050.68	2,000.44
Outside India	-	85.74
Total	1,050.68	2,086.18

- 1) Segments have been identified and reported taking into account the nature of products and services, the differing risk and returns, the organization structure and the internal financial reporting systems.
- 2) The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.
- 3) All non-current assets of the company are located within India.
- 4) Information about major customers :
Two Customer contributed more than 10% (Aggregating amount ₹ 3104.52 Lakhs) to the Company's Revenue in 2023-24
Three Customer contributed more than 10% (Aggregating amount ₹ 5246.54 Lakhs) to the Company's Revenue in 2022-23

36 Tax Expense

(a) Tax charge/(credit) recognised in the Statement of Profit & Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax :		
Current tax for the Year	-	-
Tax adjustment of earlier year	-	14.73
MAT Credit entitlement	-	-
Total Current Tax (i)	-	14.73
Deferred Tax :		
Fixed Assets/Depreciation	(44.91)	1,036.40
Equity Component of Preference Share Capital	80.22	(74.61)
Provision for Gratuity / Leave Encashment	(0.39)	(37.28)
Provision for Doubtful Debts	(0.00)	(4.14)
Un Absorbed Depreciation/ Brought forward Losses	(1,899.27)	(3,102.10)
Others	1.60	(9.11)
Total Deferred Tax (ii)	1,933.36	(2,190.84)
Total Tax (i)+(ii)	1,933.36	(2,176.10)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

(b) Tax on Other Comprehensive Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred Tax :		
(Gain)/Loss on remeasurement of defined benefit plans	(4.93)	(2.19)
Total Deferred Tax	(4.93)	(2.19)

(c) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	(5,512.67)	(7,982.90)
Tax using the domestic tax rate	-	-
Tax effect of :		
Non-deductible tax expenses	(1,933.36)	(2,190.83)
Deductible tax expenses	-	14.73
Total tax expenses/(benefit) in the statement of profit and loss	(1,933.36)	(2,176.10)

(d) Movement in Deferred tax assets/liabilities

Movement during the year ended 31st March, 2024	As at April 1, 2023	Charge/ (Credit) in stmt of profit & loss	Charge/ (Credit) in OCI	Charge/ (Credit) in Other Equity	As at March 31, 2024
Property, Plant & Equipment	4,445.17	-	-	-	4,445.17
Depreciation	5,876.06	44.91	-	-	5,920.97
Equity Component of Preference Share Capital	2,256.92	(80.22)	-	-	2,176.70
Provision for Gratuity & Leave Encashment	(315.93)	(0.39)	-	-	(316.32)
Provision for Doubtful Debts	(63.23)	(0.00)	-	-	(63.23)
Un-absorbed Depreciation/ Brought forward Losses	(7,087.63)	(1,899.27)	4.93	-	(8,981.97)
Other temporary differences	(678.11)	1.64	-	-	(676.46)
MAT Credit Entitlement	(1,356.81)	-	-	-	(1,356.81)
Total	3,076.44	(1,933.32)	4.93	-	1,148.05

37 Earnings Per Share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (Loss) after Tax and exceptional items	(3,579.31)	(5,806.80)
Profit attributable to:		
Owners of the Company	(2,215.35)	(3,836.23)
Non-controlling interests	(1,363.96)	(1,970.57)
Basic/weighted average number of equity shares outstanding during the year	1,442,885	1,442,885
Nominal value of Equity Share	10	10
Basic/Diluted EPS on Profit after Tax and exceptional items	(153.54)	(265.87)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

38 The Subsidiary Company of the Group i.e. “Hindusthan Speciality Chemicals Ltd.” had applied for registration under *Gujarat industrial Policy 2015 Scheme for Incentive to Industries (General)* which was introduced vide resolution No. INC-102015-645918-I dated 25.07.2016 and further amended vide Resolution No. INC-102018-522243-I dated 15.11.2018, issued Modalities for reimbursement of SGST Incentives in place of VAT under various Incentive scheme but till date i.e. 31.03.2024, final registration is under process at respective authority.

39 Other Disclosures to Statement of Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) NET GAIN/(LOSS) ON FOREIGN EXCHANGE		
SUNDRY DEBTORS		
For Export	5.67	51.35
SUNDRY CREDITORS		
For Import	119.88	(367.93)
For Foreign Currency Loan	-	2.23
For Machinery	-	2.44
Others	-	1.85
	125.55	(310.06)
(b) PAYMENT TO AUDITORS		
- Audit fees	4.00	4.00
- Out of Pocket Expenses	-	0.08
- Tax Audit	1.00	1.00
- For Certification (Without GST)	0.78	1.36
	5.78	6.44
(c) AGGREGATE OF PROVISIONS, CONTINGENCIES OR COMMITMENT WRITTEN BACK AS NO LONGER REQUIRED		
Sundry Debtors Credit Balance Written off	(1.81)	(1.04)
Sundry Credit Balance Written off	216.62	49.92
Jobs on Contract	-	-
Interest on Deferred Sales tax Liability	-	-
Provision for Bonus, Variable Pay etc.	24.02	61.50
Others	0.22	(0.73)
	239.06	109.65
(d) VALUE OF IMPORTS CALCULATED ON C.I.F BASIS		
Raw Material	21,127.43	21,439.29
Components & Spare Parts	2.99	3.40
Capital Goods	-	99.58
	21,130.42	21,542.27
(e) EXPENDITURE IN FOREIGN CURRENCY		
Interest / Bank Charges	-	228.53
Commission	5.22	42.65
Others	186.87	59.25
	192.09	330.44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
(f) VALUE OF IMPORTED/INDIGENOUS MATERIAL CONSUMED DURING THE YEAR ALONGWITH %				
IMPORTED				
Raw Materials	20,899.50	64.94%	23,238.49	57.42%
Stores and Spare Parts	3.08	0.30%	15.51	1.43%
INDIGENOUS				
Raw Materials	11,282.29	35.06%	17,236.10	42.58%
Stores and Spare Parts	1,008.98	99.70%	1,071.27	98.57%
	33,193.84		41,561.37	

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(g) EARNINGS IN FOREIGN EXCHANGE		
Exports (F.O.B.)	1,421.69	1,449.30
Freight & Insurance on Export	89.47	100.39
	1,511.16	1,549.69

40. Financial Instruments : Fair Value Measurement

Financial Assets & Liabilities	Note	Level of hierarchy	31 March, 2024			31 March, 2023		
			Carrying Amount		Fair Value	Carrying Amount		Fair Value
			FVTPL	Amortised Cost		FVTPL	Amortised Cost	
Financial assets								
Investments in quoted equity instruments	(c)	Level 1	-	-	-	-	-	-
Investments in unquoted equity instruments	(b)		-	377.88	377.88	-	30.00	30.00
Investments in Mutual Funds	(c)	Level 1	-	-	-	-	-	-
Trade receivables	(a)		-	12,932.34	12,932.34	-	12,740.22	12,740.22
Loans	(a,b)		-	-	-	-	14.91	14.91
Cash and cash equivalents	(a)		-	851.87	851.87	-	858.58	858.58
Other bank balances	(a,b)		-	155.68	155.68	-	306.55	306.55
Derivative financial assets	(d)	Level 2	5.70	-	-	-	-	-
Other financial assets	(a)		-	497.82	497.82	-	167.30	167.30
Total financial assets			5.70	14,815.59	14,815.59	-	14,117.56	14,117.56
Financial liabilities								
Non-current borrowings (including other current maturities)	(b)		-	21,220.91	21,220.91	-	14,029.78	14,029.78
Current borrowings	(a)		-	14,965.13	14,965.13	-	18,778.27	18,778.27
Trade payables	(a)		-	11,260.61	11,260.61	-	11,203.76	11,203.76
Derivative financial liabilities	(d)	Level 2	-	-	-	14.61	-	-
Other financial liabilities	(a)		-	1,384.09	1,384.09	-	1,932.00	1,932.00
Total financial liabilities			-	48,830.74	48,830.74	14.61	45,943.80	45,943.80

Note:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(₹ in Lakhs)

- (b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.
- (c) The fair value is determined by using the valuation model/techniques with observable/non-observable inputs and assumptions.
- (d) Derivatives are carried at fair value at each reporting date. The fair values of the derivatives financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
- (e) There are no transfers between Level 1, Level 2 and Level 3 during the years ended 31st March, 2023 and 31st March, 2024.

Fair Value hierarchy

All financial assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows: -

Level 1 - Quoted prices in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 - Inputs that are not based on observable market data.

41. Financial Risk management

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see(i));
- liquidity risk (see(ii)); and
- market risk (see(iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables and other financial assets

The Group has established a credit policy under which new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

Expected credit loss for Trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹ 3114.29 Lakhs (31st March 2023: ₹ 3135.16 Lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Movement in the expected credit loss allowance of trade receivables are as follows:

	31 March 2024	31 March 2023
Balance at the beginning of the year	218.66	169.14
Add: Provided during the year (net of reversal)	-	49.52
Less: Amount written off/back	-	0.00
Balance at the end of the year	218.66	218.66

Expected credit loss on financial assets other than trade receivables:

With regard to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on Consolidated Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short term liquidity situation is reviewed daily by the treasury department. Longer term liquidity position is reviewed on a regular basis by the Parent Group's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

As at 31 March, 2024	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	36,186.04	36,186.04	21,220.91	14,965.13
Trade payables	11,260.61	11,260.61	9,997.89	1,262.72
Other financial liabilities	1,384.09	1,384.09	106.40	1,277.70

As at 31 March, 2023	Contractual cash flows			
	Carrying amount	Total	Within 1 year	More than 1 year
Financial liabilities				
Borrowings	32,808.05	32,808.05	3,495.79	29,312.26
Trade payables	11,203.76	11,203.76	10,336.13	867.63
Other financial liabilities	1,946.61	1,946.61	1,763.36	183.25

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group companies. The functional currencies of the Group companies are primarily the INR, USD and EUR. The currencies in which these transactions are primarily denominated are USD and INR.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	31 March 2024				31 March 2023		
	USD	GBP	EURO	RUBAL	USD	GBP	EURO
Cash and cash equivalents							
Trade receivable	710,811	-	191,524	3,570,000	932,796	-	279,050
Loans	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-
Trade payables	(6,070,359)	(136,165)	-	-	(5,051,560)	(105,645)	(31,146)
Borrowings	-	-	-	-	(4,284,709)	(388,005)	(314,100)
Net exposure	(5,359,548)	(136,165)	191,524	3,570,000	(8,403,473)	(493,650)	(66,196)

Sensitivity analysis

A reasonable possible strengthening/ weakening of the EUR, USD or INR against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss (before tax)	
	Strengthening	Weakening
31 March 2024		
USD (1% movement)	(53,595.48)	53,595.48
GBP (1% movement)	(1,361.65)	1,361.65
EUR (1% movement)	1,915.24	(1,915.24)
Rubal (1% movement)	35,700.00	(35,700.00)
31 March 2023		
USD (1% movement)	(84,034.73)	84,034.73
GBP (1% movement)	(4,936.50)	4,936.50
EUR (1% movement)	(661.96)	661.96

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group is as follows:

The following table provides a break-up of the Group's fixed and floating rate borrowings:

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate borrowings	-	-
Floating rate borrowings	36,186.04	32,808.05
Total borrowings	36,186.04	32,808.05

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

If interest rates had been 25 basis points higher/ lower and all other variables were held constant, the Group's profit for the year ended 31 March 2024 would decrease / increase by 90.47 lakhs (31 March 2023: 82.02 lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

42. Capital Management

Risk management

The Group's objectives when managing capital are to:

- safeguarding their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

'Net Debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total Equity' (as shown in the Consolidated Balance sheet, including non-controlling interest).

The gearing ratios were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt	36,186.04	31,642.92
Total equity	36,763.59	40,330.43
Net debt to equity ratio	0.98	0.78

Dividends

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Equity Shares	14,42,885	14,42,885
The Board of Directors have recommended not to pay any Dividend on Equity Shares this year	-	-
(ii) Preference Shares	95,189,700	95,189,700
The Board of Directors have recommended not to pay any Dividend on Preference Shares this year	-	-

(iii) Dividend not recognised at the end of the year.

In addition to the above dividends, since year end the directors have recommended not to pay any Dividend this year on equity shares as well as Preference Shares (31 March 2023: Nil)

43 Trade Receivables ageing schedule

As at 31.03.2024

Particulars	Outstanding for following periods from due date of payment/ date of transaction					Total
	Less than 6 months	6 months - 1year	1-2 years	2-5 years	More than 5 years	
Undisputed Trade receivables - considered goods	10,036.71	554.50	608.99	1204.15	746.65	13,151.00

Unbilled Dues (if any) - NIL

As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment/ date of transaction					Total
	Less than 6 months	6 months - 1year	1-2 years	2-5 years	More than 5 years	
Undisputed Trade receivables - considered goods	9605.06	503.59	173.15	1872.77	804.31	12958.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

**44 Equity Share Capital - Shareholding of Promoters as under
As at 31 March 2024**

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hindusthan Consultancy and Services Limited	708825	49.13	708825	49.13	-
Carbo Industrial Holdings Ltd.	132820	9.21	132820	9.21	-
Promain Limited	117900	8.17	117900	8.17	-
Pradyumna Steels Limited	70000	4.85	70000	4.85	-
Hindusthan Business Corporation Limited	47000	3.26	47000	3.26	-
Rajendra Prasad Mody	500	0.03	500	0.03	-
Raghavendra Anant Mody	5107	0.35	4182	0.29	0.06
Total	1082152	75.00	1081227	74.94	0.06

As at 31 March 2023

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hindusthan Consultancy and Services Limited	708825	49.13	708825	49.13	-
Carbo Industrial Holdings Ltd.	132820	9.21	132820	9.21	-
Promain Limited	117900	8.17	117900	8.17	-
Pradyumna Steels Limited	70000	4.85	70000	4.85	-
Hindusthan Business Corporation Limited	47000	3.26	47000	3.26	-
Rajendra Prasad Mody	500	0.03	500	0.03	-
Raghavendra Anant Mody	4182	0.29	3866	0.27	0.02
Total	1081227	74.94	1080911	74.92	0.02

**45 Trade Payable ageing schedule
As at 31 March 2024**

Particulars	Outstanding for following periods from due date of payment/ date of transaction				
	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
MSME	824.47	0.00	0.00	0.00	824.47
Others	9173.42	908.23	215.38	139.12	10436.14
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Unbilled Dues (if any) -

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment/ date of transaction				
	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
MSME	374.24	-	-	-	374.24
Others	9961.89	483.86	222.97	160.80	10829.52
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Unbilled Dues (if any) -

Additional Info in Notes -

46 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment:

As at 31 March 2024

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans %
Promoter	-	-
Directors	7.00	100.00
KMPs	-	-
Related Parties	-	-

As at 31 March 2023

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans %
Promoter	-	-
Directors	-	-
KMPs	13.00	87.17
Related Parties	-	-

47 Capital-work-in Progress (CWIP) - ageing schedule

As at 31.03.2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress (CWIP)	149.01	8.57	38.62	-	196.20
Intangible assets under development	-	-	-	-	-
Projects temporarily suspended	-	47.66	-	-	47.66

As at 31.03.2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress (CWIP)	89.18	8.57	38.62	-	136.37
Intangible assets under development	8.29	4.48	31.55	-	44.32
Projects temporarily suspended	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

48 Assets held for sale and discontinued operations

Company had entered into a Memorandum of Understanding on 12th March 2024 with Nirmal Wires Pvt. Ltd. For the sale of company's Electrical Conductors unit at Khurda location with Land admeasuring 45.785 Acres for consideration of ₹ 7251.00 Lacs. Company has received an advance of ₹ 724.27 Lacs from Nirmal Wires Pvt. Ltd. The aforesaid transactions are likely to be completed during the financial year 2024-25 post completion of Condition Precedents and certain other actionable as identified in the said agreements.

The aforesaid transaction has been considered as highly probable and meet the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operation, hence, Company has classified Property, Plant & Equipment (including Land) of ₹ 3250.16 Lacs and Inventories of ₹ 297.06 Lacs as Assets held for Sale in respect of Electrical Conductors unit at Khurda location.

The effect of the said agreement shall be given in the financials in the year where the transaction is over, in terms of transfer of assets and other obligations.

The major classes of assets and liabilities

Particulars	As at March 31, 2024
Property, Plant and Equipment	3,250.16
Inventories	297.06
Total Assets	3,547.22
Liabilities	-

49 Security of current assets against borrowings - Details of Quarterly statements filed by the Company with banks -

Company has taken borrowings from banks on the basis of security of current assets for which quarterly statements of current assets filed by the company with banks are in agreement with the books of accounts and there is no material discrepancies.

50 Charges yet to be registered with ROC

Charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof - **Not Applicable**

51 Ratios -

As at 31 March 2024

Particulars	Numerator	Denominator	Current year	Preceding year	% Variance	Reason for variance (if more than 25%)
Current Ratio	Current assets	Current liabilities	1.04	0.93	11.48	-
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.98	0.81	21.00	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-0.30	-0.69	-56.87	-
Return on Equity Ratio %	Net Profits after taxes	Average Shareholder's Equity	-9.29%	-13.43%	-169.13	-
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	3.48	3.71	-6.29	-
Trade Receivables turnover ratio	Revenue	Average Accounts Receivable	4.12	3.74	9.95	-
Trade payables turnover ratio	Purchases	Average Trade Payables	3.16	3.39	-6.83	-
Net capital turnover ratio	Revenue	Working Capital	49.93	-24.98	-299.88	-
Net profit ratio %	Net Profit after Tax	Revenue	-6.78%	-9.93%	-168.22	-
Return on Capital employed %	Earning before interest and taxes	Capital Employed	-2.48%	-6.312%	-139.38	-
Return on investment %	Income generated from investments	Time weighted average investments	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

As at 31 March 2023

Particulars	Numerator	Denominator	Current year	Preceding year	% Variance	Reason for variance (if more than 25%)
Current Ratio	Current assets	Current liabilities	0.93	1.22	-24.18	-
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.81	0.74	10.01	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-0.69	0.73	-193.54	Decrease in Sale Prices and Higher Input & Other Cost have reduced margins
Return on Equity Ratio %	Net Profits after taxes	Average Shareholder's Equity	-13.43%	-0.81%	1,555.49	-do-
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	3.71	4.97	-25.30	Decrease in Sale Prices with lower margin during the current year
Trade Receivables turnover ratio	Revenue	Average Accounts Receivable	3.79	3.83	-2.37	-
Trade payables turnover ratio	Purchases	Average Trade Payables	3.39	3.94	-13.96	-
Net capital turnover ratio	Revenue	Working Capital	-24.98	9.71	-357.19	Decrease in Sale Prices with lower margin during the current year
Net profit ratio %	Net Profit after Tax	Revenue	-9.93%	-0.51%	1,854.39	Decrease in Sale Prices and Higher Input & Other Cost have reduced margins during the current year
Return on Capital employed %	Earning before interest and taxes	Capital Employed	-6.08%	3.27%	-285.79	-do-
Return on investment %	Income generated from investments	Time weighted average investments	-	-	-	-

52 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification disclosure.

53 The financial statements has been approved by the Board on 28th May, 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

54 Financial Information of Subsidiary Company

Additional Information as required under Schedule III to the Companies Act, 2013 of the enterprises consolidated as Subsidiary Company.

Name of entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive Income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Hindusthan Urban Infrastructure Limited	91.15%	33,508.88	22.55	(620.33)	(14.27%)	(1.78)	17.44%	(622.11)
Subsidiary								
Hindusthan Speciality Chemicals Limited	5.64%	2,073.64	57.98	(1,595.02)	76.15%	9.50	44.45%	(1,585.52)
Minority Interest in subsidiary	3.21%	1,181.07	19.47	(1,363.96)	38.12%	4.76	38.11%	(1,359.21)
Total :	100.0%	36,763.59	100.0%	(3,579.31)	100.0%	12.48	100.0%	(3,566.83)

Material accounting policies

1

Notes to the financial statements

2-54

The accompanying notes referred to above form an integral part of these consolidated financial statements.

As per our report of even date
For K. N. Gutgutia & Company

Chartered Accountants
 FRN: 304153E

(B. R. Goyal)
 Partner
 Membership No: 12172

Place: New Delhi
 Date : 28th May, 2024

**For and on behalf of the Board of directors of
 Hindusthan Urban Infrastructure Ltd**

Raghavendra Anant Mody
 (DIN : 03158072)
 Chairman and Whole Time Director

Vishal Pachisia
 Chief Financial Officer
 PAN: AFRPP4570J

Deepak Kejriwal
 (DIN : 07442554)
 Managing Director

M.L.Birmiwala
 President-Finance &
 Company Secretary

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES:

Form AOC-1

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A" : Summary of financial information of Subsidiaries

(₹ in Lakhs)

SI No.	1
Name of subsidiary	Hindusthan Speciality Chemicals Limited
Date since when subsidiary was acquired	02.04.2012
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N/A
Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A
Share Capital	14,459.14
Reserves & Surplus	(12,385.50)
Total Assets	37,860.92
Total Liabilities	37,860.92
Investment	30.00
Turnover	29,297.52
Profit before taxation	(4,464.64)
Provision for taxation	(1,179.66)
Profit after taxation	(3,284.99)
Proposed Dividend	-
% of Shareholding	58.50%
Names of subsidiaries which are yet to commence operations	N/A
Names of subsidiaries which have been liquidated or sold during the year	N/A