

Sr. No. DMR/SE/22-23/74

Date: 17.08.2023

The Manager,  
**BSE SME Platform**  
Corporate Relationship Department  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001  
Email: [bsesme.info@bseindia.com](mailto:bsesme.info@bseindia.com)  
BSE Scrip Code: 543410

**Subject: Notice of the 14th Annual General Meeting and Annual Report of the Company for the Financial Year 2022-23**

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34(1) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) and other applicable laws, please find enclosed herewith the copy of the Annual Report for the Financial Year (“FY”) 2022-23 along with the Notice of 14<sup>th</sup> Annual General Meeting (‘AGM’) of the Company, which is scheduled to be held on Friday, September 08, 2023 at 11:30 A.M. through Video Conferencing / Other Audio Visual Means.

The copy of Annual Report for the FY 2022-23 is also available on the website of the Company at

[https://dmrengineering.net/wp-content/uploads/2023/08/DMR\\_Annual\\_Report\\_FY\\_2022-23.pdf](https://dmrengineering.net/wp-content/uploads/2023/08/DMR_Annual_Report_FY_2022-23.pdf)

The copy of the notice of 14<sup>th</sup> AGM of the Company is also available on the website of the Company at

<https://dmrengineering.net/wp-content/uploads/2023/08/15.-AGM-Notice.pdf>

The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all the resolutions as set out in the AGM notice to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Friday, September 01, 2023. The remote e-voting shall commence at Tuesday, September 05, 2023 from 9:00 A.M. (IST) and end at Thursday, September 07, 2023 at 5:00 P.M. (IST).

This is for your information and records.

Thanking you,

Yours Faithfully

For **DMR Hydroengineering & Infrastructures Limited**

**RAVINDE** Digitally signed by  
RAVINDER KUMAR  
**R KUMAR** Date: 2023.08.17  
19:43:02 +05'30'



**Ravinder Kumar Bhatia**  
**Company Secretary & Compliance Officer**

Encl: as above

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED  
ANNUAL REPORT 2022-23**

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## Corporate Information

### Board of Directors

1. Mr. Subhash Chander Mittal, Chairman & Managing Director
2. Ms. Neelam Mittal, Whole Time Director
3. Ms. Rachana Agrawal, Independent Director
4. Mr. Dahyalal Bansilal Prajapati, Independent Director (Appointed w.e.f. May 18, 2022)
5. Mr. Bangam Prasad Rao, Non-Executive Director (Change in designation from Independent Director w.e.f May 18, 2022)
6. Mr. Surajit Dutta, Non-Executive Director (Appointed w.e.f May 18, 2022)
7. Mr. Shyam Lal Kapil, Whole-time Director (Appointed w.e.f. July 25, 2023)
8. Mr. Krishan Kumar Gupta, Whole-time Director (Appointed w.e.f. July 25, 2023)
9. Ms. Anita Goyal, Independent Director (Appointed w.e.f. July 25, 2023)

### Audit Committee

1. Ms. Rachana Agrawal, Chairman
2. Mr. Dahyalal Prajapati, Member
3. Mr. Surajit Dutta, Member

### Nomination & Remuneration Committee

1. Mr. Dahyalal Prajapati, Chairman
2. Mr. Subhash Chander Mittal, Member
3. Ms. Rachana Agrawal, Member

### Stakeholders Relationship Committee

1. Mr. Dahyalal Prajapati, Chairman
2. Mr. Subhash Chander Mittal, Member
3. Mr. Surajit Dutta, Member

### Chief Financial Officer

Mr. Bal Mukund Kumar

### Company Secretary and Compliance Officer

Mr. Ravinder Kumar Bhatia

### Statutory Auditors

A Y & Company, Chartered Accountants, Jaipur

### Registrar & Share Transfer Agent

Skyline Financial Services Private Limited  
D-153/A, 1st floor, Phase I, Okhla Industrial Area,  
New Delhi, 110020

Email: [info@skylinerta.com](mailto:info@skylinerta.com)

Tel.: 011-26812682, 40450193 to 97

Website: [www.skylinerta.com](http://www.skylinerta.com)

**Bankers**

HDFC Bank Limited  
Punjab National Bank  
YES Bank  
ICIC Bank

**Corporate Identification Number (CIN)**

L74900HR2009PLC039823

**Registered Office**

473, Sector-30, Faridabad  
Haryana, India 121003

**Investors Information**

Visit us: [www.dmengineering.net](http://www.dmengineering.net)

Email: [dmr@dmengineering.net](mailto:dmr@dmengineering.net)

Tel: +91 129 4360445

## Message from the Chairman and Managing Director

**Dear Shareholders,**

It gives me immense satisfaction to share with you all the **14th Annual Report** of the business and operations of DMR Hydroengineering and Infrastructures Limited ('DMR' or 'Company') for the financial year ended March 31, 2023, continues its path-breaking and highly successful run. We represent a unique model which combines the highest standards of corporate governance and people-centric culture with industry-leading results of profitability and growth.

During the financial year 2022-23, the Company witnessed a growth of 23.85% in its revenue from operations i.e. from Rs. 353.45 Lakhs in the previous year to Rs. 437.73 Lakhs in the current year. Further, the net profit of the Company grew by 12.80% i.e., from Rs. 68.65 Lakhs in the previous year to Rs. 77.44 Lakhs in the current year. In addition, the EBITDA margin grew by 23.35% i.e., from Rs. 103.10 Lakhs in the previous year to Rs. 127.17 Lakhs in the current year.

Our future growth strategy during the year 2022-23, has been built around the following for focal points:

- A robust organogram representing multiple facets of the organisation
- A motivated talent pool
- Building strong order book through pro-active outreach to potential customers
- IT as backbone

To focus on strategy and growth, we have added a new function named headquarters in the organisation. This function revolves around identifying and inducting key recruitments, organizational communications, presentations, holding strategy sessions with team members, identifying/reviewing business targets and business performance.

We have constituted several knowledge areas in the Company in order to deepen technical competence of the organisation and the team. These include the topics of Structural Engineering, Embankment Dam, Dams and Barrage Engineering, Hydropower and Pumped Storage, Concrete Quality Control, Grouting Technology, Geotechnical and Underground Engineering, Geology, Electrical and Mechanical, Hydrology and Dam Safety, Penstock Engineering, Gates and Hoists Engineering, CAD and GIS, Construction Planning, Contracts and Claims, Cost Estimate, Financial Modelling, Rail Tunnels Engineering, Road Tunnels Engineering, Power Engineering and Power Management, Renewable Energy. Each aforesaid area is Coordinated by a Specialist Engineer and Guided by Subject Expert. We will strive to grow each knowledge area further for building leadership position in the industry.

We have put in place functions such as research and innovation, integrated management system besides regular functions consisting of Business Development, Human Resource ('HR'), Marketing and Operations.

A motivated talent pool ensures efficient delivery in operations. We have taken special care to add new talent in the organisation and introduced a key employee's scheme with empowerment and liberal incentives scheme. The Board of Directors has already approved the **DMR Employee Stock Option Plan 2023 ('DMR ESOP Plan 2023')** with an objective to long term prosperity of the employees.

Our pro-active reach during the year 2022-23, has resulted in acquiring several new customers and new business opportunities. We are now empaneled with IREDA as lenders engineers for hydro power and solar power sector.

We consider IT to be backbone of the organisation. During the year 2022-23, we have added several new engineering software such as RS3, UN WEDGE, SWEDGE and RELUX to work on Geo Technical Engineering and Tunnel Lighting Engineering problems and their solutions. We have also added 4 No. Apps to improve efficiency in the organisation. These Apps are, Zoho People for HR Management, Zoho Projects for Assignment Monitoring, Zoho Inventory for Inventory Management and Zoho CRM for Customer Relationship Management.

This year, we have chosen the “**Excellence in Governance and Growth**” theme for our 14<sup>th</sup> Annual Report. At DMR, we have established corporate governance practices well before the Company listed at SME platform of BSE Limited on December 07, 2021, fundamentally striving to function like an exemplary public entity since our inception. As part of our vision to be known for the highest standards of corporate governance, business ethics, integrity, environmental responsibility, and social responsibility and transparent communication at all levels of the organizational network. We have improved the aesthetics of our Corporate Office and shifted our Engineering Office to new location which provides congenial work environment to our team members. We strive to be a leading **ESG focused** Company.

Our domestic and international presence continues in several projects and we expect to expand domestically as well as internationally further.

As we look ahead to the future, we are optimistic and excited about the tremendous opportunity that awaits us. Our organization strives to be a global company by having its presence both in developed and developing economies across the globe in the coming 10 years. This will be achieved through management actions and continued guidance and support of shareholders, employees and customers.

Before I conclude, I would like to express my gratitude to our clients for their continued faith and trust in DMR. I am also grateful to all DMR for their commitment and dedication to enable the happiness of our clients. I am grateful to our Board of Directors, Shareholders, Employees and all other Stakeholders for their wishes, continued guidance and support that help us accelerate sustainable growth and prolific journey.

On behalf of the Board of Directors of DMR, I want to thank you for your continued trust, confidence, and support.

Let me close by wishing all of you stay safe and stay healthy and take care of yourselves.

With warm regards

**Subhash Chander Mittal**  
**Chairman & Managing Director**

## About the Company

DMR Hydroengineering & Infrastructures Limited ('DMR' or 'Company') was incorporated under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 15, 2009.

On December 07, 2021, the Company has received the requisite approvals and is listed on the SME Platform of BSE Limited ('Stock Exchange') with a security name "DMR" and security code '543410'.

We are a leading providing engineering and infrastructure consultancy services and consulting company focused on building innovative solutions to address our clients. We help clients realize their boldest ambitions and build future-ready, sustainable businesses by leveraging our holistic portfolio of capabilities in consulting, design, engineering, and operations.

DMR is engaged in the business of providing engineering consultancy and due diligence services to hydropower, dams, roads and railway tunnels etc. The services offered by our Company include entire life cycle of projects covering design & engineering, due diligence & regulatory, bid management & construction engineering and quality & inspection. Our company offers Hydro Engineering and Infrastructure services viz., Strategic Advisory, Due Diligence Studies, Project Viability Analysis, Cost Benefit Analysis, Risk Analysis, Regulatory Approvals, Monitoring and Evaluation, Geological Studies, Hydrological Studies, Hydraulic Studies, Hydraulic Design of Structures, Geotechnical Design of Surface and Underground Structures, Structural Design and Analysis, Dynamic Analysis, Numerical Analysis, Instrumentation Analysis, Detailed Design and Drawings, Bid level Designs and Drawings, Detailed Project Report, Feasibility Report, Layout Studies and Alternatives Analysis, Design Review, As Built Drawings, Bid documents, Bill of Quantities, Construction Planning and Scheduling, Construction Management and Method Statements, Design and Engineering Support During Construction, Rate Analysis and Cost Estimates, Contract Management, Procurement Management, Project Management, Project Commissioning, Completion Report, QA/QC plans, Quality Assurance at Site, Pre-Dispatch Inspection, Third Party Inspection, Safety Inspection and O & M stage Inspection.

Our Company is promoted by Mr. Subhash Chander Mittal and Ms. Neelam Mittal. Our Promoters manage and control the affairs of our business operations with their considerable experience in the Industry.

The financial performance of the Company over the past some years is provided below:

Particulars	(Amount Rupees in Lakhs)			
	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
<b>Revenue from operations</b>	437.73	353.45	240.73	240.48
<b>EBITDA</b>	127.17	103.10	89.62	76.61
<b>Profit after tax</b>	77.01	68.65	60.78	52.97



Our Company is accredited with various certificates such as ISO 9001: 2015, ISO 14001: 2015 and ISO 45001:2018 for providing consultancy services for hydro engineering and infrastructure sector. Our Company is the Corporate Member of several professional organizations such as consulting Engineers association of India (CEAI), Indian Society of Hydraulics, and Indian Society of Rock Mechanics & Tunnelling technology.

## Business Operations of the Company

Our company is engaged in engineering consultancy services to several infrastructure sectors including Hydropower include small Hydro, Renewable, Water Resource, Dams, barrages& weirs, Roads and Railway tunnels, Mining, Urban Infrastructure. Our Company offers services for Strategic Advisory, Due Diligence Studies, Project Viability Analysis, Cost Benefit Analysis, Risk Analysis, Regulatory Approvals, Monitoring and Evaluation, Geological Studies, Hydrological Studies, Hydraulic Studies, Hydraulic Design of Structures, Geotechnical Design of Surface and Underground Structures, Structural Design and Analysis, Dynamic Analysis, Numerical Analysis, Instrumentation Analysis, Detailed Design and Drawings, Bid level Designs and Drawings, Detailed Project Report, Feasibility Report, Layout Studies and Alternatives Analysis, Design Review, As Built Drawings, Bid documents, Bill of Quantities, Construction Planning and Scheduling, Construction Management and Method Statements, Design and Engineering Support During Construction, Rate Analysis and Cost Estimates, Contract Management, Procurement Management, Project Management, Project Commissioning, Completion Report, QA/QC plans, Quality Assurance at Site, Pre-Dispatch Inspection, Third Party Inspection, Safety Inspection and O & M stage Inspection.

### Sectors Covered

#### i. Hydropower including Small Hydro

We provide concept to commissioning services in the hydropower and small hydro sector. We are specialized in troubleshooting technical bottlenecks in the assignment thus delivering enhanced value to our customers. Till now we have completed 57 assignments in this sector.

#### ii. Renewables

We provide concept to commissioning services in the renewables sector. We provide services in the wind, solar and small hydropower renewable energy segments. Till now we have completed 28 assignment in this sector.

#### iii. Water Resources, Dams, Barrages & Weirs

We provide end to end services in the water resources, dams and barrages sector. Till now we have completed 33 assignments in this sector.

#### iv. Rail Tunnel and Road Tunnel

We provide end to end services in the rail tunnel and road tunnels sector. The project components include open excavation, cut and cover, portals, cross passages in tunnels. We are specialized in numerical analysis, back analysis, detailed geotechnical design (NATM, NTM), structural lining design, bid engineering and site supervision of tunnels in soft ground, weak rocks as well as hard jointed rocks. We also provide ventilation, lighting and power supply services for tunnel systems. Till now we have completed 27 assignments related to engineering of Railway Tunnels and Road Tunnels.

#### v. Mining

We provide geotechnical engineering related services to mining sector. We have provided services for mine excavation slope stability analysis, underground openings design, earthen bund/Tailing Dam design for mining projects. Till now, we have completed 1 assignment in this sector.

#### vi. Urban Infrastructure

We provide structural design of overhead water tanks (OHT), water intakes, pump house structures. We also provide services for structural design of sub-station foundations, DG rooms, roof trusses, industrial buildings and other civil engineering structures such as bridge design, culvert design and open channels. Till now we have completed 1 assignment in this sector.

### Our Presence

#### i. Geographical presence in both domestic and international markets

Our Company deals in Business to Business (B2B) category and caters to both domestic and international markets. Domestically, we have our presence across 13 states such as Uttar Pradesh, Himachal Pradesh, Jammu and Kashmir, Sikkim, Delhi, Noida, Arunachal Pradesh, Uttarakhand, Telangana, Odisha, Maharashtra, Rajasthan, and Punjab. Internationally, we have executed assignments in around 5 countries namely Nepal, Nigeria, Laos, Germany and Senegal.

Year wise contribution from domestic and international operations are as below:

<b>(Amount Rupees in Lakhs)</b>		
<b>YEARS</b>	<b>Domestic</b>	<b>International</b>
2019-20	159.20	81.28
2020-21	170.18	70.55
2021-22	251.60	101.85
2022-23	318.85	118.88

#### ii. Established presence in diversified sectors

We provide consultancy services across diverse sectors such as hydropower and small hydro sector, renewable, water resources, dams, barrages & weirs, rail tunnels, road tunnels, mining and urban infrastructure. The sector wise revenue break up for the financial years 2022-23 and 2021-22 is mentioned below.

<b>(Amount Rupees in Lakhs)</b>					
<b>Financial Year</b>	<b>Hydro Sector and Renewables</b>	<b>Water Resources, Dams, Barrages &amp; Weirs</b>	<b>Road Tunnel Sector</b>	<b>Rail Tunnel Sector</b>	<b>Mining Sector</b>
2022-23	266.19	107.90	30.71	32.93	-
2021-22	227.07	58.29	44.66	20.00	5.10

## Company's Vision, Mission & Values

### **Vision**

The Company is committed to becoming a Global Infrastructure Consulting Company of high repute working on various projects across multiple countries and sectors, consistently delivering high-quality solutions.

### **Mission**

The Company aims to partner with our customers to deliver robust and world-class infrastructure solutions to our communities.

### **Values**

#### **i. Integrity and Transparency**

The Company strives to be a long-term reliable partner. We recognize our responsibility in creating robust infrastructure and partner with our customers in realizing their vision for the project, delivering accurate results every time.

#### **ii. Design and Engineering Partner**

DMR commits to bring in global best practices in Design and Engineering to all its projects. Our research and development initiatives help in adapting global best practices to local conditions.

#### **iii. Customer Centric**

Our primary focus is on the needs of our customers and their projects. Our team structure and delivery models are aligned to this core principle of ensuring the success of our customers' projects.

## Board of Directors

**Mr. Subhash Chander Mittal** is a Promoter as well as Chairman and Managing Director of the Company. He has been on the Board of Directors of the Company since incorporation. He holds the degree in Bachelor of Science in Civil Engineering from Regional Engineering College of Kurukshetra University, Haryana, India. He has diverse experience of more than 38 years in the field of engineering consulting industry. He has contributed immensely in the engineering of large infrastructure projects in water sector, energy sector and mobility sector. He looks after the overall business operations of the Company including technical operations, strategy and marketing plans of our Company.

**Ms. Neelam Mittal** is Promoter and Executive Director of the Company. She has been on the Board of the Company since incorporation. She holds Master degree in Economics from Kurukshetra University. She holds more than a decade experience in the field of engineering industry consulting business. She leads and mentors the human resource department of the Company.

**Mr. Bangam Prasad Rao** is Non-executive Director of the Company. He holds the degree in B. Sc (Engineering) Civil from Regional Engineering College Rourkela, India. Prior to working with our Company, he was employed with NHPC Limited as General Manager. He has more than 35 years of experience in the field of construction management. He has implemented a number of land mark hydro power projects in the country such as Indira Sagar, HEP 1000 MW and Omkareshwar HEP 400 MW.

**Ms. Rachana Agrawal** is Independent Director of the Company. She is a Fellow member of the Institute of Chartered Accountant of India. She has also completed practical training and has passed the Information System Audit Assessment Test conducted by The Institute of Chartered Accountant of India, in 2013. She has more than 30 years professional experience in finance and accounts.

**Mr. Surajit Dutta** is a Non-executive Director of the Company. He is Fellow member of the Institute of Cost Accountants of India and MBA (Finance). He has about 34-year post qualification experience in PSUs. He worked in NHPC Limited for 19 years up to the position of Senior Manager (Finance). Subsequently, he joined as Additional General Manager (Finance) in IRCON International Ltd. a leading Railways PSU, He reached up to the position of Executive Director (Finance), CFO, Chief Investors Relation Officer in IRCON. He worked as Director in many Subsidiary Companies of IRCON and Joint Ventures. He has also worked in CCFB, a Railway JV Company of CFM, RITES & IRCON in Mozambique as Director (Finance). He has vast experience in all fields of Finance & Accounts.

**Mr. Dahyalal Prajapati** is an Independent Director of the Company. He is a high achieving individual and an enthusiastic learner who has a keen interest in finance with MBA (Finance) qualification. Currently he is associated with one of the leading SAP Services & Implementation Partner Company in Ahmedabad, Gujarat. He has well rounded experience in business management from managing business strategies to managing operations to providing board level oversights & governance. He is passionate about helping SME and Start-up mentoring. His areas of work include credit analysis, equity research, corporate finance, investment banking and IT industry. He has spent 15 years in corporate organizations such as BSE India, CARE Ratings, Marwari Shares & Finance and CRISIL Limited.

**Mr. Shyam Lal Kapil** is an Executive Director and Senior Vice President of the Company. He holds the degree in M. Tech from IIT Roorkee and PGDM in finance from IMT -CDL. Before joining the DMR, he was employed with NHPC as Executive Director. In NHPC he headed several divisions and worked for construction of several projects. He also worked for preparation of DPR of more than 40 projects covering Hydro, Pumped Storage, Solar, Wind, Geothermal and Green Hydrogen in India. Also worked on hydro projects in Myanmar, Bhutan and Nepal. He introduced several advanced geophysical techniques for investigation for faster investigation and these helped in minimising the geological uncertainties during construction. He developed a Real Time Seismic Data centre in NHPC for seismic monitoring of all NHPC projects one of its kind in India He has been actively involved with projects of NTPC, THDC, PPA and Several State Govts. and resolved some of the critical issues related to dams/ TBM & DBM tunnelling. He also worked extensively for statutory clearances of the hydro projects from Govt. authorities. He also headed R&D division and worked with more than 24 R&D projects with IITs, NITs and other reputed Institutes. He is a member of Dam Safety Review Panel of several State Govts. and inspected more than 25 dams. Member of several IS code committees related to hydro power, investigation and on seismic aspects. Published more than 40 papers in Journals and conferences. Authored more than 250 technical reports. Worked on several International assignments in Myanmar, Bhutan, USA and Finland and visited several countries for official works, transfer of technology and seminars/conferences. He is also President of ISEG and Vice President of ISRM (India). He is also a member of Editorial Board of Journal of Engineering Geology. He successfully organized several International Conferences on hydro power and infrastructures related issues.

**Mr. Krishan Kumar Gupta** is an Executive Director and Senior Vice President of the Company. He holds a degree in Bachelor of Engineering in Civil from Thapar Institute of Engineering and Technology, Patiala, Punjab, India. He also holds degree in MBA and LLB. He has more than 42 years of experience in the field of construction & project management with specialization in hydroelectric projects both in the government & private sectors in India & abroad. He has also worked in the Central Water Commission in the Government of India & also with Larsen & Toubro Limited. He has been associated in the implementation of a number of land mark hydroelectric projects which among others include 520 MW Parbati Stage III HEP in Himachal Pradesh, 99 MW Singoli Bhatwari HEP in Uttarakhand, 1020 MW Tala HEP in Bhutan & 1200 MW Punatsangchhu-I HEP also in Bhutan. He is Fellow member of **The Institution of Engineers (India)**, Fellow member of **Indian Institution of Technical Arbitrators**, Member of Indian Road Congress and Individual Life Member, Renewable Energy Promotion Association, also awarded the Certificate of Hon. Global Fellowship in Renewable Energy (GFRE).

**Ms. Anita Goyal** is an Independent Director of the Company. Anita Goyal is presently Full Professor of Marketing at the Indian Institute of Management Lucknow, India. Anita holds degrees of Bachelor of Science, Master in Business Administration in Marketing Management, and Doctor of Philosophy in Marketing. With a span of 28 years in academics, Anita currently teaches Masters and Doctorate courses, and conducts sessions in short-term academic as well as training programs for industry executives. She co-coordinates a number of management development programs for industry executives and also chairs the academic administrative positions. Anita has delivered invited lectures in industry and academic institutions in India and abroad [ESCP Europe, France and Institut d'Administration des Entreprises (Institute of Business Administration), Aix-en-Provence, France]. She has been Guest Faculty for marketing courses in Master of Business Administration and Master of Philosophy programs

in Europe (EDHEC, Lille, France) and Nepal (Kathmandu University School of Management) respectively. Anita has supervised a number of BBA and MBA dissertations with Thames Valley University, London, and an ongoing doctoral thesis advisor for marketing scholars. She has to her credit research articles in reputed national and international journals, book chapters, and marketing cases. Anita is the editor of a book on 'Innovations in Services Marketing and Management' with IGI Global, USA, and also guest edited journals' special issues. Anita has presented number of papers in national and international conferences. Her research interests encompass areas of brand management, product marketing, and consumer behavior with a focus on consumer decision-making process. She was recognized as Gandhi Chhatra twice in 1988 and 1989.

## ESG

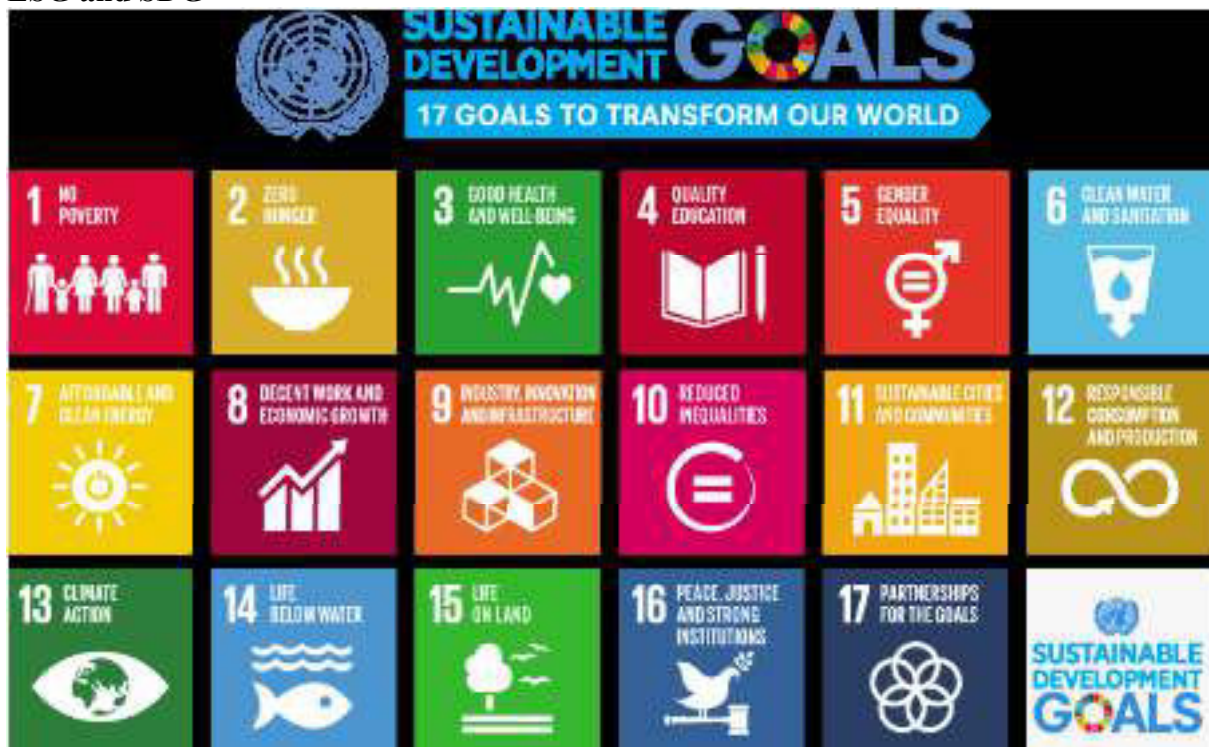
### Overview

The 2030 Agenda for Sustainable Development, with 17 Sustainable Development Goals (SDG) at its core, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

ESG (Environmental, Social and Governance) is an approach that covers an investment strategy that takes into account the sustainability aspirations of companies, including environmental, social and corporate governance aspects in the decision-making. The priority areas of the Environmental aspect are climate risks, resource management and clean energy, greenhouse gas (GHG) emissions, waste management; the most important issues of the Social perspective are diversity, human rights and corporate social responsibility, cyber security; and from the point of view of corporate governance, business ethics, transparency and the avoidance of corruption are crucial points.

In recent years, climate change concerns and sustainable development have taken centre stage in global and national priorities. There has been a growing recognition of the significant financial and economic impacts of Environmental, Social and Governance (ESG) risks across the globe, with many international bodies and financial regulators emphasising on ESG-related issues.

### ESG and SDG





## What is ESG?

ESG is an acronym for Environmental, Social and Governance. A framework that helps stakeholders understand how an organisation is managing risks and opportunities related to environmental, social, and governance criteria. ESG takes the holistic view that sustainability extends beyond just environmental issues.

Let us discuss it in brief as given below.

<b>Environmental</b>	<b>Social</b>	<b>Governance</b>
Studies an organisation's focus and stewardship of the natural environment, energy use, recycling practices, pollution control and conserving resources.	Inspects an organisation's management of relationships with its employees, suppliers, customers, stakeholders and the community at large	Considers the organisation's management structure, executive compensation, internal controls and stakeholders rights.

## DMR and ESG

### Environmental

As an Engineering Consulting Company, DMR is committed to providing sustainable growth in the business. We believe that sustainable behavior in every aspect of our business is a natural prerequisite for building stronger relationships with customers and employees and contributing to positive development in society. We intend to enable a low-carbon and resource-wise economy, empower our people & communities, and embed responsible Corporate Governance and Business Integrity practices throughout the Company by following leading national and global regulations, guidelines, and frameworks.

At DMR, we are committed to taking meaningful action for a sustainable future to demonstrate environmental stewardship. With our Sustainability Roadmap to 2030 to protect the environment, we are working on solutions that help minimize the impact of our operations, and engaging with our value chain partners to drive improvements.

Our environmental goals are focused on optimizing energy, making responsible use of our natural resources, and reducing waste to create sustainable progress. We will also maximize the usage of renewable energy while reducing the use of fossil fuels by working closely with our value chain partners to assess and help reduce the environmental impact.

### Social

Social Responsibility being one of the core values of DMR, we adopt policies that promote the well-being of society and the environment. We also encourage volunteering, contributions that benefit the environment, and engaging in the joy of giving.

### Talent Management

At DMR, have a contemporary and diverse senior leadership. We have an ambitious program to hire the right talent with diverse backgrounds. We are growing our existing talent by upskilling and reskilling them in client relevant areas by investing on digital learning platforms

that enable ‘anytime, anywhere’ learning, social and community learning, mentoring networks and talent champions.

We have created leadership development programs across business, technology and functions with dedicated mentors for succession planning, function rotation, for better business understanding and as rewards and recognition programs to recognize the efforts and value.

Employees are key to propelling our business growth through their expertise, experience, skills and knowledge. DMR thus encourages a work culture that ensures their health, well-being and safety, supports diversity and inclusivity and provides equal opportunity to all its people. These values enable us to attract the best talent and unlock their full potential, thereby making us an employer of choice.

### **Diversity, Equity and Inclusion**

DMR is an equal opportunity employer and has a well-defined and progressive Diversity, Equity and Inclusion (‘DEI’) policy embracing all diversity parameters which includes gender, marital status, religion, race/caste, colour, age, ancestry, nationality, language, ethnic origin, socio-economic status, physical appearance, disability, sexual orientation, gender identity and/or expression and any other category protected by applicable law.

DMR recognizes that a diverse and inclusive workforce is necessary to drive innovation, foster creativity, and guide business strategies. We believe Diversity & Inclusion (D&I) is a journey, not a destination. Our persistent emphasis on fostering an inclusive environment helps everyone to retain their identity both professionally and personally. We have designed comprehensive programs that promote equal opportunities, foster inclusivity, and eliminate biases.

### **Human Rights**

DMR has always strived to protect the Human rights interest through the constitution of various internal policies such as:

#### **(i) Occupation Health and Safety**

DMR is certified to ISO 45001:2018 Occupational Health and Safety Management System. We have a well-defined Occupational Health and Safety (OHS) policy and supporting processes to ensure the safety and well-being of its employees. Safety lead and lag indicators are measured across the organization and reported. The Stakeholders’ Relationship Committee in the Board reviews the company’s health and safety performance on a year-on-year basis. This health, safety and security policy of DMR elucidates to help protect its team member’s health situation in case of an emergency and against any hazards and disaster that occurs while being at the office as well as site premises.

#### **(ii) Whistle Blower Policy**

This Policy encourages our people who have concern(s) about any actual or potential violation of the legal & regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. any claim of theft or fraud, and any claim of retaliation for

providing information to or otherwise assisting the Audit Committee, to come forward and express his/her concern(s) without fear of punishment or unfair treatment.

**(iii) DMR is an Equal Employment Opportunity Company**

As part of our Equal Opportunity Policy, we provide equal opportunities at all levels of employment without discrimination on grounds of race, ethnicity, nationality, gender, language, age, sexual orientation, religion, marital status, socio-economic status, or special ability.

DMR certifies its support against discrimination and ensures that equal opportunities are administered in all aspects of during the employment including recruitment, training conditions of service, performance development, reward, incentive and promotion scheme issued to the Company. This is also intended to guide DMR at all levels to act fairly and prevent discrimination and comply with applicable laws.

**Ethical Practices to attain the highest level of Governance**

We prioritise the equilibrium between profitability and responsibility to our stakeholders. Our corporate governance framework promotes ethical practices throughout the organisation, while transparent communication ensures effective engagement with stakeholders.

We are committed to upholding the highest standards of ethical, social, and environmental responsibility in all aspects of our operations. Compliance is a crucial element of our business strategy, and we consistently strive to ensure that we are fully compliant to all relevant laws and regulations.

DMR firmly believes, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation.

**Business Ethics**

DMR is committed to conducting its business in accordance with the applicable laws, rules, and regulations with the highest standards of business ethics, integrity, environmental responsibility, and social responsibility. We aim to providing end-to-end creative business solution to their clients with effective and efficient manner.

### Strategic focus for growth

- i. Cost leadership by maximize asset utilization;
- ii. Widen the market and the company's share;
- iii. Robust people practices by creating people centric policies, Industry-benchmarked Remuneration, Work-life balance for Employees, Fair and equitable compensation structure, High retention, renewal, motivation and outperformance;
- iv. Need to enhance talent productivity;
- v. Need to generate rising revenues and profits per person employed;
- vi. Expand our international presence;
- vii. Focus on acquiring reputable, credit-worthy clients by providing integrated, end-to-end solutions and continue to provide additional services to existing clients;
- viii. Focusing on measurable improvements;
- ix. Focus on further diversifying our services in Mechanical, Electrical, Automation, IT and Technology areas;
- x. Responsible corporate citizenship;
- xi. Stakeholder value creation;
- xii. Need to establish credibility as a well-rounded organization

## Directors' Report

Dear Members,

Your Directors are pleased to present the **14<sup>th</sup> Annual Report** on the business and operations of **DMR Hydroengineering and Infrastructure Limited** ("Company") along with the Audited Financial Statements for the financial year ended March 31, 2023 ("Year" or "Financial Year" or Period under Review).

### 1. FINANCIAL SUMMARY AND HIGHLIGHTS

The financial performance of the Company is summarized below:

(Amount in Lakhs)			
	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
<b>I</b>	Revenue from Operations	437.73	353.45
<b>II</b>	Other Income	8.99	3.57
<b>III</b>	<b>Total Revenue (I+II)</b>	<b>446.72</b>	<b>357.02</b>
<b>IV</b>	<b>Total expenses (IV)</b>	<b>344.08</b>	<b>266.05</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>102.64</b>	<b>90.97</b>
<b>VI</b>	<b>Tax Expense</b>		
	1 Current Tax	23.18	21.41
	2 Deferred Tax	2.01	0.90
	<b>Total Tax Expense (VI)</b>	<b>25.20</b>	<b>22.31</b>
<b>VII</b>	<b>Profit/(Loss) for the period (V-VI)</b>	<b>77.44</b>	<b>68.65</b>
<b>VIII</b>	<b>Earnings per equity share</b>		
	(1) Basic	2.08	2.15
	(2) Diluted	2.08	2.15

### 2. OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY

During the Financial year 2022-23, the Company witnessed a growth of 23.85% in its revenue from operations i.e. from Rs. 353.45 Lakhs in the previous year to Rs. 437.73 Lakhs in the current year. Further, the net profit of the Company grew by 12.80% i.e., from Rs. 68.65 Lakhs in the previous year to Rs. 77.44 Lakhs in the current year.

The overall performance of the Company during financial year 2022-23, reinforces the effectiveness of the initiatives undertaken by the Company's Management leveraging better business opportunities.

### 3. DIVIDEND

The Board of Directors in its meeting held on July 25, 2023 has recommended to the shareholders a final dividend of Rs. 0.11/- per equity share for the financial year 2022-23. The final dividend, if declared as above, would entail a total outflow of approx. Rs. 4.10

lakh. The dividend payment is subject to approval of members at the ensuing 14<sup>th</sup> Annual General Meeting.

#### **4. TRANSFER TO RESERVES**

The Board of Directors did not propose to transfer any amount to the reserves.

#### **5. CHANGES IN SHARE CAPITAL**

The authorized share capital of the Company as on March 31, 2023 was Rs. 4,00,00,000 divided into 40,00,000 equity shares of Rs. 10/- each. Further, the paid-up equity share capital of the Company as on March 31, 2023 was Rs. 3,72,62,000/- consisting of 37,26,200 equity shares of 10/- each.

During the year under review, your Company did not issue any equity shares.

#### **6. LISTING OF SHARES**

During the period under review, the Company has paid the annual listing fees to BSE Limited for the financial year 2022-23 and 2023-24.

#### **7. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

During the Financial Year, the Company has incorporated a wholly-owned subsidiary Delaware, USA with the name and style of DMR Consulting Inc. Apart from this, the Company did not have any Subsidiary, Joint Venture or Associate Company during the Period under Review.

The statement containing the salient features of the financial statements of the subsidiary in Form AOC-1 is attached as **Annexure-I**.

The Consolidated Financial Statements of the Company duly audited by the Statutory Auditors form part of this Report.

The financial statements together with related information and other reports of the subsidiary is available on the website at <https://dmrengineering.net/financial-results/>

#### **8. CHANGE IN THE NATURE OF BUSINESS**

There was no change in the nature of the business of your Company during the Period under review.

#### **9. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Directors of your Company, to the best of their knowledge, belief and ability and explanations obtained by them, state that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the prescribed accounting standards;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company at the end of the financial year 2022-23 and of the profit and loss of your Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, the Board of the Company was duly constituted with 6 (Six) Directors comprising of 1 (One) Managing Director, 1 (One) Whole-Time Director, 2 (Two) Non-Executive Director and 2 (Two) Independent Directors. During the Period under review, there were following changes in the Board of Directors of the Company:

- i. The Board of Directors of the Company had appointed Mr. Surajit Dutta (DIN: 06687032) as an additional director in the capacity of Non-executive Director of the Company, with effect from May 18, 2022. His appointment was regularization by the shareholders in the 13<sup>th</sup> Annual General Meeting held on September 27, 2022;
- ii. The Board of Directors of the Company has appointed Mr. Dahyalal Bansilal Prajapati (DIN: 09592327), as an additional director in the capacity of Independent Director w.e.f May 18, 2022. His appointment was approved by the shareholders in the 13<sup>th</sup> Annual General Meeting held on September 27, 2022 for a term of 5 (five) consecutive years w.e.f May 18, 2022 to May 17, 2027. In the opinion of the Board, Mr. Dahyalal Bansilal Prajapati, Independent Director is person of integrity and have the relevant expertise, experience and proficiency as required under the Act.
- iii. The Board of Directors of the Company had also approved the change in designation of Mr. Bangam Prasad Rao (DIN: 09335571) from Independent Director to Non-executive Director of the Company, with effect from May 18, 2022 and the same was approved by the shareholders in the 13<sup>th</sup> Annual General Meeting held on September 27, 2022;

- iv. Mr. Janardan Choudhary (DIN: 07871968), and Mr. Naresh Kumar Mathur (DIN: 08632404) were ceased to be the Independent Director and Non-executive Director of the Company respectively with effect from the closing hours of May 23, 2022.
- v. The office of Ms. Neelam Mittal, (DIN: 02861064) Director was retired by rotation and was re-appointed by the members as a Whole-time Director of the Company in the 13th Annual General Meeting held on September 27, 2022 for a period of 3 years, with effect from October 01, 2022.

Further, the following changes have taken place in the Board of Directors of the Company post the Financial year 2022-23:

- i. The Board of Directors of the Company in its meeting held on July 25, 2023 has appointed Ms. Anita Goyal (DIN: 10249700) as an additional director in the capacity of Independent Director of the Company, with effect from July 25, 2023 who shall hold the office till the upcoming annual general meeting of the Company. Her appointment will be placed before the shareholders for their approval, for a term of 5 consecutive years with effect from July 25, 2023, in the upcoming Annual General Meeting of the Company;
- ii. The Board of Directors of the Company in its meeting held on July 25, 2023 has appointed Mr. Shyam Lal Kapil (DIN: 10249705) as an additional director in the capacity of Whole-time Director of the Company, with effect from July 25, 2023 who shall hold the office till the upcoming annual general meeting of the Company. His appointment will be placed before the shareholders for their approval, for a term of 3 years with effect from July 25, 2023, in the upcoming Annual General Meeting of the Company;
- iii. The Board of Directors of the Company in its meeting held on July 25, 2023 has appointed Mr. Krishan Kumar Gupta (DIN: 10249694) as an additional director in the capacity of Whole-time Director of the Company, with effect from July 25, 2023 who shall hold the office till the upcoming annual general meeting of the Company. His appointment will be placed before the shareholders for their approval, for a term of 3 years with effect from July 25, 2023, in the upcoming Annual General Meeting of the Company;
- iv. Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Bangam Prasad Rao (DIN: 09335571), will be liable to retire by rotation at the ensuing annual general meeting and being eligible, has offered himself for re-appointment.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

- i. Mr. Subhash Chander Mittal, Chairman & Managing Director;
- ii. Ms. Neelam Mittal, Whole Time Director;
- iii. Mr. Krishan Kumar Gupta, Whole Time Director; (w.e.f July 25, 2023 subject to approval of the members)
- iv. Mr. Shyam Lal Kapil, Whole Time Director; (w.e.f July 25, 2023 subject to approval of the members)
- v. Mr. Bal Mukund Kumar, Chief Financial Officer;



vi. Mr. Ravinder Kumar Bhatia, Company Secretary & Compliance Officer

## **11. DECLARATION OF INDEPENDENT DIRECTORS**

All the Independent Directors of your Company have submitted their declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, read with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and are not disqualified from continuing as Independent Directors of your Company.

Further, all the Independent Directors of your Company have complied with the requirement of inclusion of their names in the Databank of Independent Directors maintained by Indian Institute of Corporate Affairs.

Further, in the opinion of Board of Directors, the Independent Directors of the Company are the persons of integrity and possess relevant expertise and experience (including the proficiency).

## **12. POLICY ON REMUNERATION OF DIRECTORS, KMPS, AND OTHER EMPLOYEES**

The remuneration paid to the Directors, KMPS and employees of the Company is in accordance with its Nomination and Remuneration Policy formulated under Section 178 of the Act.

The Remuneration Policy of the Company has been formulated to create a high-performance culture in the Company. It enables the Company to attract, retain and motivate employees to achieve results. Our Business Model promotes customer centricity and requires employee mobility to address project needs. This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, KMPS and other employees of the Company.

The Remuneration Policy duly approved by the Board of Directors, is uploaded on the website of the Company. The web link to the Remuneration Policy is as under: <http://www.dmrengineering.net/demo2/wp-content/uploads/2022/07/Remuneration-Policy.pdf>

## **13. NUMBER OF BOARD MEETINGS & COMMITTEE MEETINGS**

### **BOARD MEETINGS**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company, apart from other statutory matters as required to be deliberated and approved by the Board. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director.

During the Period under Review, the Board of Directors met 4 times i.e. on May 18, 2022, August 18, 2022, November 05, 2022 and February 04, 2023.

All the meetings were held with a gap of less than 120 days.

#### **AUDIT COMMITTEE**

In terms of the requirements of Section 177 of the Act, the Company has constituted the Audit Committee. The Committee *inter alia* reviews the Financial Statements before they are placed before the Board, related party transactions, the internal control system, reports of Internal Auditor and compliance of various Regulations.

As on March 31, 2023, the Committee consisted of Ms. Rachana Agrawal, Independent Director, Mr. Dahyalal Bansilal Prajapati, Independent Director, Mr. Surajit Dutta, Non-executive Director of the Company. Ms. Rachana Agrawal acted as the Chairperson of the Committee.

During the Period under Review, the Audit Committee met 4 times i.e. on May 18, 2022, August 18, 2022, November 05, 2022 and February 04, 2023.

#### **NOMINATION AND REMUNERATION COMMITTEE**

In terms of the requirements of Section 178 of the Act, the Company has constituted the Nomination & Remuneration Committee. The Committee *inter alia* identifies persons who are qualified to become directors and who may be appointed in the senior management.

As on March 31, 2023, the Committee consisted of Mr. Dahyalal Bansilal Prajapati, Independent Director, Mr. Subhash Chander Mittal, Chairman and Managing Director, Ms. Rachana Agrawal, Independent Director of the Company. Mr. Dahyalal Bansilal Prajapati acted as the Chairperson of the Committee.

During the Period under Review, the Nomination & Remuneration Committee met 4 times i.e. on April 20, 2022, May 18, 2022, August 18, 2022, and February 04, 2023.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

In terms of the requirements of Section 178 of the Act, the Company has constituted the Stakeholders' Relationship Committee. The Committee *inter alia* reviews the grievance of the security holders of the Company and redressal thereof.

As on March 31, 2023, the Committee consisted of Mr. Dahyalal Bansilal Prajapati, Independent Director, Mr. Surajit Dutta, Non-executive Director, Mr. Subhash Chander Mittal, Chairman and Managing Director of the Company. Mr. Dahyalal Bansilal Prajapati acted as the Chairperson of the Committee.

During the Period under Review, one (1) meeting of the Stakeholders' Relationship Committee was held on February 04, 2023..

### **14. PERFORMANCE EVALUATION**

Pursuant to the provisions of the Act, the Independent Directors in their meeting held on February 04, 2023 had evaluated the performance of Non-Independent Directors,

Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

Further, the Board of Directors in its meeting held on February 04, 2023 carried out the performance evaluation of independent directors, and the individual directors of the Company which excluded the Director being evaluated.

Further, the Nomination and Remuneration Committee in its meeting held on February 04, 2023 had also carried out evaluation of performance of the Board, its committees and individual directors.

The Board of Directors expressed their satisfaction with the evaluation process.

## **15. CORPORATE SOCIAL RESPONSIBILIUNITY**

The provisions of Corporate Social Responsibility are not applicable to the Company during the Period under Review.

## **16. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Directors had laid down adequate Internal Financial Controls which ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business.

The adequacy and effectiveness of internal financial controls of the Company has been regularly evaluated with regard to the following:

- i. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
- ii. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
- iii. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
- iv. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to differences, if any.
- v. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

## **17. DEPOSITS**

During the Period under review, the Company did not invite or accept any deposits from the public in terms of Chapter V of the Act. There was no default in repayment of deposits or payment of interest thereon during the year under review.

Further, the details of exempted deposits accepted by the Company during the Period under review, has been provided in the financial statements of the Company.

## **18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE ACT**

All related party transactions that were entered into during the Period under review, were on arm's length basis and in the ordinary course of business. No materially significant related party transactions which required the approval of members, were entered into by the Company during the Period under review. Further, all related party transactions entered into by the Company are placed before the Audit Committee for its approval.

The particulars of the contracts or arrangements entered into by the Company with related parties as referred to in Section 134(3)(h) read with section 188(1) of the Act and rules framed thereunder, in the **Form No. AOC-2** are annexed and marked as **Annexure-II**.

## **19. LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186 OF THE ACT,**

Details of loans, guarantees and investment covered under the provisions of section 186 of the Companies Act, 2013 read with the rules framed thereunder, as amended from time to time, are given in the notes to the financial statements. The Company has complied with the requirements of section 186 of the Companies Act, 2013 read with the rules framed thereunder, as amended from time to time.

## **20. STATUTORY AUDITORS**

During the Period under Review, M/s A Y & Company, Chartered Accountants, (Firm Registration No 020829C) were appointed as the statutory auditors of the Company at the 13<sup>th</sup> Annual General Meeting of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 13<sup>th</sup> Annual General Meeting till the conclusion of the 18<sup>th</sup> Annual General Meeting to be held in the financial year 2026-27, in terms of provisions of section 139(8) of the Act.

The Statutory Auditors have submitted their Report on the Financial Statements for the financial year ended March 31, 2023, which forms part of this Report. The Statutory Audit Report does not contain any qualification, reservation or adverse remark. The Auditor's Report read together with the notes to Accounts is self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

## **21. SECRETARIAL AUDITOR**

The Board of Directors of the Company at its meeting held on February 04, 2023 had appointed M/s Dilip Swarnkar & Associates, Practicing Company Secretaries, Mumbai (Firm Unique Code S2022MH892300) as Secretarial Auditors of the Company for conducting the Secretarial Audit of the financial year ended March 31, 2023.

The Secretarial Auditors have submitted their report to the Board of Directors and the same is annexed herewith and marked as **Annexure-III**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Further, the Secretarial Audit Report is self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

## **22. INTERNAL AUDITOR**

The Board of Directors in its meeting held on February 04, 2023 had appointed Mr. Ravinder Kumar Bhatia, Company Secretary & Compliance Officer of the Company as Internal Auditors for the financial year 2022-23 and 2023-24 to conduct the internal audit of the various areas of operations and records of the Company.

The periodic reports of the said internal auditors are regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

## **23. PARTICULARS OF EMPLOYEES AND REMUNERATION UNDER SECTION 197(12) OF THE ACT**

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure-IV**.

## **24. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information with respect to energy conservation, technology absorption and foreign earnings and outgo is annexed herewith as **Annexure-V**.

## **25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the financial year 2022-23, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report and marked as **Annexure-VI**.

## **26. MAINTENANCE OF COST RECORDS**

Your Company is not required to maintain cost accounting records as specified under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

## **27. VIGIL MECHANISM & WHISTLE BLOWER POLICY**

Pursuant to the provisions of Section 177 of the Act, the Company has framed a 'Whistle Blower Policy' to establish Vigil Mechanism for directors and employees to report genuine concerns within the Company. This policy provides a process to disclose information, confidentially and without fear of reprisal or victimization, where there is

reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The Company ensures that no personnel have been denied access to the Chairperson of the Audit Committee.

The Policy is available on the website of the Company at <http://www.dmengineering.net/demo2/wp-content/uploads/2022/07/Whistle-Blower-Policy.pdf>

## **28. RISK MANAGEMENT**

The Company has put in place a risk management policy in order to *inter alia* ensure the proper risk identification, evaluation, assessment, prioritization, treatment, mitigation, and monitoring. Further the risk management policy also provides a demarcation the role of the Board of Directors, and Audit Committee for the purpose effective Risk Management.

The Company follows a practice of identification of various risks pertaining to different businesses and functions of the Company, which may threaten its existence from time to time.

Major risks elements associated with the businesses and functions of the Company have been identified and are being addressed systematically through mitigating actions on a continuing basis.

The Audit Committee under the supervision of the Board, periodically review and monitor the steps taken by the Company to mitigate the identified risks elements.

## **29. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

## **30. FRAUD REPORTING**

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Act, to the Audit Committee or the Board of Directors during the Period under review.

## **31. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY SINCE THE CLOSE OF FINANCIAL YEAR ENDED MARCH 31, 2023 AND TO THE DATE OF THIS REPORT**

There have been no other material changes and commitments affecting the financial position of the Company since the close of financial year ended March 31, 2023 and to the date of this report.

## **32. COMPLIANCE WITH SECRETARIAL STANDARDS**

Your Company is in compliance with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

### **33. ANNUAL RETURN**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company for the financial year ended March 31, 2023 is available on the website of the Company at [www.dmrengineering.net](http://www.dmrengineering.net)

The signed Annual Return shall be available on the website of the Company after the same is filed with the Registrar of Companies.

### **34. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE**

During the period under review, there were no significant and material orders passed by any regulator/court/tribunal impacting the going concern status and the Company's operations in future.

### **35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company is committed to creating a safe and healthy work environment, where every employee, customer and other individual are treated with respect and are able to work without fear of discrimination, prejudice, gender bias or any form of harassment at workplace.

The Company has in place an Anti-Sexual harassment Policy in line with the requirements of the Sexual harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

### **36. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

There was no such instance during the Period under review.

### **37. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION**

**DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

There was no such instance during the Period under review.

**38. GREEN INITIATIVES**

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 13th Annual General Meeting of the Company including the Annual Report for the Financial year 2022-23 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

**39. APPRECIATION AND ACKNOWLEDGEMENTS**

Your Board of Directors places on record its sincere thanks, appreciation and heartfelt gratitude for the continuing support of banks, vendors, clients, investors, Central Government, State Governments and other regulatory authorities who have wholeheartedly supported the Company in its prolific journey over more than 14 years.

Your Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company.

**For and on behalf of the Board of Directors  
DMR Hydroengineering and Infrastructures Limited**

**Subhash Chander Mittal  
Chairman & Managing Director  
DIN: 02861072**

**Neelam Mittal  
Whole-time Director  
DIN: 02861064**

**Place: Faridabad  
Date: 25.07.2023**



**Annexure-I****Form No. AOC-1**

*[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]*

**Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures**

**Part A- Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in USD)

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the Subsidiary	DMR Consulting Inc.*
2.	The date since when subsidiary was acquired	August 05, 2022 (Incorporation date)
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2022 to March 31, 2023
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD Not applicable

	<b>Financial Details as on March 31, 2023</b>	<b>Amount in USD</b>
5.	Share capital	3,000*
6.	Reserves and surplus	-
7.	Total assets	-
8.	Total Liabilities	-
9.	Investments	-
10.	Turnover	-
11.	Profit before taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100%

*Note\*- The Company is yet to receive the subscription money and yet to commence business.*

1. Names of subsidiaries which are yet to commence operations- 1 (DMR Consulting Inc.)
2. Names of subsidiaries which have been liquidated or sold during the year- Nil

**Part B: Associates and Joint Ventures**

1. Names of associates or joint ventures which are yet to commence operation- Nil.
2. Names of associates or joint ventures which have been liquidated or sold during the year- Nil

**For and on behalf of the Board of Directors  
DMR Hydroengineering and Infrastructures Limited**

**Subhash Chander Mittal  
Chairman & Managing Director  
DIN: 02861072**

**Neelam Mittal  
Whole-time Director  
DIN: 02861064**

**Bal Mukund Kumar  
Chief Financial Officer**

**Ravinder Kumar  
Company Secretary**

**Place: Faridabad  
Date: July 25, 2023**

**Annexure-II****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]*

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2023, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

There were no material contracts or arrangements or transactions for the year ended 31st March, 2023.

**For and on behalf of the Board of Directors  
DMR Hydroengineering and Infrastructures Limited**

**Subhash Chander Mittal  
Chairman & Managing Director  
DIN: 02861072**

**Neelam Mittal  
Whole-time Director  
DIN: 02861064**

**Place: Faridabad  
Date: July 25, 2023**



# **DILIP SWARNKAR & ASSOCIATES COMPANY SECRETARIES**

Mob: + 91 8356877790, 8689902140

Email: [csdilipsonioffice@gmail.com](mailto:csdilipsonioffice@gmail.com)

The Peer Review Certificate no. [2838/2022](#)

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Form No. MR-3

**SECRETARIAL AUDIT REPORT OF  
DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023**

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

To,  
The Members,  
DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED  
H. NO.- 473 SECTOR-30 FARIDABAD HR 121003 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED (CIN: L74900HR2009PLC039823)** (hereinafter called the Company) for financial year ended March 31, 2023 (hereinafter referred to as "**the Audit Period**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management of the Company, we hereby report that in our opinion, the Company had during the Audit Period complied with the statutory provisions listed hereunder and also that the Company had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed during the Audit Period and other records maintained by the Company for the Audit Period, according to the provisions of the following laws:
  - I. The Companies Act, 2013 and the Rules made there under and the applicable provisions of the Companies Act, 1956;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



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V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the audit period under report:

- a. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c. 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;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- f) As informed and certified by the Management of the Company, there are no other laws, which are specifically applicable to the Company based on their sector/ industry.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India during the Audit Period. Further the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **We further report that:**

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

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



# **DILIP SWARNKAR & ASSOCIATES COMPANY SECRETARIES**

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The Peer Review Certificate no. [2838/2022](#)

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All decisions at Board Meetings and Committee Meetings are carried out 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 as per the explanations given to us and the representations made by the management and relied upon by us, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review, the Company has not undertaken any specific events/actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

## **1. Incorporation of Wholly owned subsidiary Company in US:**

During the period under review, a Company name under "DMR Consulting Inc" has been incorporated on August 05, 2022 in Delaware, United States of America. DMR Hydroengineering & Infrastructures Limited holds 100% shareholding in DMR Consulting. Accordingly, DMR Consulting has become a Wholly owned subsidiary of the Company upon its incorporation.

## **2. Introduction of the DMR Employee Stock Option Plan 2023 named "DMR ESOP Plan 2023:**

During the period under review, the Board of Directors in their meeting held on 04<sup>th</sup> February, 2023 has approved the **DMR Employee Stock Option Plan 2023 named "DMR ESOP Plan 2023" subject to approval of Shareholders in the General Meeting of Company.**

**FOR DILIP SWARNKAR & ASSOCIATES  
COMPANY SECRETARIES**

**DATE: 25-07-2023  
PLACE: MUMBAI**

**DILIP KUMAR SWARNKAR  
PROPRIETOR  
ACS 47600 & CP 26253**

**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.**



# DILIP SWARNKAR & ASSOCIATES COMPANY SECRETARIES

Mob: + 91 8356877790, 8689902140

Email: [csdilipsonioffice@gmail.com](mailto:csdilipsonioffice@gmail.com)

The Peer Review Certificate no. [2838/2022](#)

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## ANNEXURE - A

**(To the Secretarial Audit Report of DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED for the financial year ended March 31, 2023)**

To,  
The Members,  
DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED  
H. NO.- 473 SECTOR-30 FARIDABAD HR 121003 IN

Our Secretarial Audit Report for the financial year 31<sup>st</sup> March, 2023 is to be read along with this letter.

### **Management's Responsibility: -**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility: -**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer: -**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

FOR DILIP SWARNKAR & ASSOCIATES  
COMPANY SECRETARIES

DATE: 25-07-2023  
PLACE: MUMBAI

DILIP KUMAR SWARNKAR  
PROPRIETOR  
ACS 47600 & CP 26253

## Annexure-IV

### A. Particulars of employees for the year ended March 31, 2023 as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

#### i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 is as under:

Sl. No.	Name of Director	Designation	Ratio of the remuneration of each director to the median remuneration of employees
1.	Mr. Subhash Chander Mittal	Chairman and Managing Director	1.48
2.	Ms. Neelam Mittal	Whole-time Director	1.48
3.	Mr. Bangam Prasad Rao	Non-executive Director	0.17
4.	#Mr. Surajit Dutta	Non-executive Director	0.12
5.	#Mr. Dahyalal Bansilal Prajapati	Independent Director	0.16
6.	Ms. Rachana Agrawal	Independent Director	0.20
7.	*Mr. Janardan Choudhary	Independent Director	0.07
8.	*Mr. Naresh Kumar Mathur	Non-executive Director	0.10

\*ceased to be a director w.e.f. May 23, 2022.

\*ceased to be an Independent Director w.e.f. May 23, 2022.

#inducted as a director w.e.f. May 18, 2022.

#inducted as an Independent Director w.e.f. May 18, 2022.

#### ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23:

Sl. No.	Name of Director/KMP	Designation	% increase in Remuneration in the financial year 2022-23
1.	Mr. Subhash Chander Mittal	Chairman and Managing Director	Nil
2.	Ms. Neelam Mittal	Whole-time Director	60%
3.	Mr. Bangam Prasad Rao	Non-executive Director	Not applicable
4.	#Mr. Surajit Dutta	Non-executive Director	Not applicable
5.	#Mr. Dahyalal Bansilal Prajapati	Independent Director	Not applicable
6.	Ms. Rachana Agrawal	Independent Director	Not applicable
7.	*Mr. Janardan Choudhary	Independent Director	Not applicable
8.	*Mr. Naresh Kumar Mathur	Non-executive Director	Not applicable
9.	Mr. Bal Mukund Kumar	Chief Financial Officer	23.71%
10.	#Mr. Ravinder Kumar Bhatia	Company Secretary and Compliance Officer	16.67%

\*ceased to be a director w.e.f. May 23, 2022.

\*ceased to be an Independent Director w.e.f. May 23, 2022.



*#inducted as a director w.e.f. May 18, 2022.*

*#inducted as an Independent Director w.e.f. May 18, 2022.*

*#inducted as Company Secretary and Compliance Officer w.e.f. April 01, 2022.*

**iii. The percentage increase in the median remuneration of employees of the Company in the financial year:**

During the financial year 2022-23, the median remuneration of employees of the Company was increase by 25.91%.

**iv. The number of permanent employees on the rolls of Company:**

As on March 31, 2023, there were 40 permanent employees on the rolls of the Company.

**Top 10 employees details as on March 31, 2023 as stated below:**

S. No.	Name of the employees	Designation	Salary last drawn as on March 31, 2023
1	Mr. Subhash Chander Mittal	Chairman and Managing Director	6,00,000
2	Ms. Neelam Mittal	Whole-time Director	6,00,000
3	Mr. Bal Mukund Kumar	Chief Financial Officer	4,08,240
4	Mr. Ravinder Kumar Bhatia	Company Secretary and Compliance Officer	3,50,000
5	Mr. Naresh Kumar Mathur	Senior Vice President	5,00,000
6	Mr. Akhilesh Kumar	Senior Vice President	10,80,000
7	Mr. Dibyajyoti Sinha	Chief Engineer	7,54,560
8	Mr. Vijay Nagri	Technical Engineer	8,25,000
9	Mr. Shubham Sthapak	Engineer Manager	1,63,880
10	Mr. Virender Dahiya	Engineer Manager	1,29,600

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

Average percentile increase in salary of the Company's employee (other than the managerial personnel) during the financial year 2022-23 was approximately 7.09%.

Further, Average percentile increase in the managerial remuneration during the financial year 2022-23 was approximately -48.30%.

During the financial year 2022-23, there was no increase in the remuneration of Mr. Subhash Chander Mittal, Managing Director of the Company. Further, the decrease in total managerial remuneration for the financial year 2022-23 was due to change in the Board constitution in view of the Initial Public Offering of the equity shares of the Company on the SME exchange

of BSE Limited.

- vi. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**  
It is hereby affirmed that the remuneration paid during the year ended March 31, 2023 is as per the Remuneration Policy of the Company.

**B. Particulars of employees for the year ended March 31, 2023 as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

The Company did not have falling under the ambit of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**Notes:**

1. Remuneration shown above includes salary, allowances, contribution to provident fund, and other perquisites as per the terms of employment.
2. All the employees have requisite experience to discharge the responsibility assigned to them.
3. Nature and terms of employment are as per resolution/appointment letter.
4. None of the employee, as referred under Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, owns 2% or more of the equity shares of the Company as on March 31, 2023.
5. Within the meaning of Section 2(77) of the Companies Act, 2013, Mr. Subhash Chander Mittal, and Ms. Neelam Mittal are the directors of the Company and are related to each other.

**For and on behalf of the Board of Directors  
DMR Hydroengineering and Infrastructures Limited**

**Subhash Chander Mittal  
Chairman & Managing Director  
DIN: 02861072**

**Neelam Mittal  
Whole-time Director  
DIN: 02861064**

**Place: Faridabad  
Date: 25.07.2023**

## Annexure-V

### A. Conservation of Energy

#### i. the steps taken or impact on conservation of energy;

The Company is in a knowledge intensive industry, and does not operate industrial machinery, production facilities, or other such energy intensive operations. DMR, taking steps toward energy conservation and efficiency, by adjusting behaviors and habits. However, as a responsible corporate citizen, it continues to pursue and adopt appropriate energy conservation measures. We continuously seek to improve environmental performance by adopting and promoting use of energy-efficient and environment-friendly technologies. We shifted most of our IT infrastructure to the cloud to enable all our team members across geographies working in a hybrid model. We also extend this further to support our customers seamlessly from a remote work environment. This results again in considerable savings in terms of power usage at our offices.

We have been established the principles of turning off devices or appliances when not in use. Usually, we turn off the fan, light, AC, refrigerator when we move out of office or when not in use. We adopt these few practices not only to save money but also to reduce the consumption of energy.

We adopt measures to conserve energy by using energy-efficient computers and equipment with latest technologies, which would help in conservation of energy. Another simple way to have a huge impact on the environment is through reducing paper consumption, by turning paper documents into electronic ones and eliminating paper from workflows. Furthermore, DMR using electric vehicles use electricity to charge their batteries instead of using fossil fuels like petrol or diesel. By reducing paper usage and fossil fuels, we create a direct impact on reducing the carbon footprint. Going paperless and electric vehicles helps to reduce CO<sub>2</sub> (carbon dioxide) emissions.

We, at DMR, consciously choose to print only the important documents and avoid unnecessary paper consumption to further reduce the carbon footprint. Our approach is focused on delivering seamless digital experience and solutions to our customers with end-to-end capabilities spanning the digital lifecycle.

#### ii. the steps taken by the company for utilising alternate sources of energy;

Since the energy usage is quite minimal, the Company has not taken any steps for utilising alternate sources of energy.

#### iii. the capital investment on energy conservation equipments;

The Company does not require to make any capital investment on energy conservation equipments, since the energy usage is quite minimal.

### B. Technology Absorption

**i. The efforts made towards technology absorption;**

During the period under review, DMR has continued focused on building technology in RS3, ZW CAD, UN WADGE, PYROSIN, SWEDGE, RELUX and ETAP. Our Company has used Zoho applications such as Zoho people, Zoho CRM, Zoho projects and Zoho inventory which help us to create own systems for knowledge management, note taking, data management, project management, Human resource etc. Customer relationship management (CRM) software which manage all our company's relationships and interactions with customers and potential customers, help us improve business relationships, stay connected to customers, streamline processes, and improve profitability. We use Engineering Software such as STAD Pro, RS2 (for Geo Technical Analysis), MIDAS (Solid Modeling & FEM Analysis), Auto CAD, Auto CAD LT, Civil 3D, Revit and Proprietary Software related to Geo Technical Engineering, Structural Engineering and various MS Office Tools including MS Project, PowerPoint, Excel and Word. Apart from the above, the company also uses Online Tools such as Google Drive, One Drive and other Cloud Computing Services. We believe that our technological capabilities play a key role in helping us effectively manage our pan-India operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. Your Company also undertakes continuous quality improvement programs, training programs, deployment and use of tools and technologies for monitoring projects, etc., to help increase efficiencies and productivity.

**ii. The benefits derived like product improvement, cost reduction, product development or import substitution;**

Please refer the clause (i) above.

**iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

S. No.	Description	Details
a)	the details of technology imported	The RS3, UN WEDGE, SWEDGE, and RELUX software were imported.
b)	the year of import,	Financial Year 2022-23
c)	whether the technology been fully absorbed;	Yes
d)	if not fully absorbed, areas where absorption has not taken place and reasons thereof	Not applicable

**iv. The expenditure incurred on Research and Development**

The research and development expenditure of the Company are insignificant and cannot be measured in monetary terms.

### **C. Foreign Exchange Earnings and Outgo**

**i. Activities relating to exports, initiatives taken to increase exports; development of new export markets for services and export plans**

During the period under review, our Company has taken various initiatives to expand its presence into new geographies by engaging consultants and business partners and been successful in building visibility about our services and offering to key clients.

**ii. Foreign exchange earnings and outgo**

The details of foreign exchange earnings and outgo is as under:

<b>Particulars</b>	<b>Financial year 2022-23</b>	<b>Financial year 2021-22</b>
Earnings	Rs. 90,15,804	Rs. 44,48,738
Outgo	Rs. 16,95,357	Rs. 6,65,578

**For and on behalf of the Board of Directors of  
DMR Hydroengineering and Infrastructures Limited**

**Subhash Chander Mittal**  
**Chairman & Managing Director**  
**DIN: 02861072**

**Neelam Mittal**  
**Whole-time Director**  
**DIN: 02861064**

**Place: Faridabad**  
**Date: July 25, 2023**

## **Annexure-VI**

### **Management Discussion and Analysis Report**

#### **Overview of Global Engineering Industry**

Engineering services can provide extensive consultation to a company needing expert advice and solution. Engineering services firms can accept the project and work on evaluating, designing, simulating, and testing the project.

The main types of engineering services are civil engineering services, environmental engineering services, construction engineering services, mechanical engineering services, and other engineering services. Civil engineering services encompass a wide range of activities, including the planning, design, and construction of commercial and residential structures; transportation infrastructure, such as roads, bridges, and railways; water distribution systems, such as dams, sewers, and sewage treatment; environmental infrastructure, such as landscaping, urban planning, and parks; industrial infrastructure construction management; construction technology, and more. The various engineering disciplines include civil, mechanical, electrical, piping, and structural engineering and are delivered through offshore and onsite models. The services are used by automotive, industrial manufacturing, healthcare sector, aerospace, telecommunications, information technology, energy & utilities, and others.

The engineering services market research report provides engineering services market statistics, including engineering services industry global market size, regional shares, competitors with an engineering services market share, detailed engineering services market segments, market trends and opportunities, and any further data you may need to thrive in the engineering services industry. This engineering services market research report delivers a complete perspective of everything you need, with an in-depth analysis of the current and future scenarios of the industry.

The global engineering services market size will grow from \$1,110.21 billion in 2022 to \$1,156.5 billion in 2023 at a compound annual growth rate (CAGR) of 4.2%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The global engineering services market size is expected to grow to \$1,316.06 billion in 2027 at a CAGR of 3.3%.

The engineering services market is expected to benefit from steady economic growth in developed and developing countries. The International Monetary Fund (IMF) predicts that global real GDP growth will be 3.6% from 2021 to 2023. This trend will be mainly driven by regions of Asia and Africa. According to the report, Asia will represent 66% of the global middle-class population by 2030. For instance, the Indian IT-BPM industry grew by 7.7% in FY 2017, with software products and engineering services reaching US\$ 25 billion. Going forward, the Asia-Pacific and Middle Eastern regions are expected to be the fastest-growing markets in the engineering services, design, animation, and graphic design industries. Developing countries such as India and China have started to attract foreign investment to improve their infrastructure. This was mainly due to an increase in internet penetration, a growth in the population, and increasing economic activity.

The Construction Design and Management Regulation, also known as the CDM Regulations/CDM 2015, came into force on April 6, 2015. These are the regulations governing the engineering service providers with respect to construction projects of all sizes and types. This CDM regulation (2015) replaced the Construction (Design and Management) Regulation 2007, aiming to improve the overall health, safety, and welfare of the workers and professionals involved in construction. This regulation specifies the general requirements, states safety norms, and minimum welfare facilities required at the construction sites.

North America was the largest region in the engineering services market in 2022. Western Europe was the second largest region in the global engineering services market. The regions covered in the global engineering services market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, and Africa. The countries covered in the engineering services market are Australia, Brazil, China, France, Germany, India, Indonesia, Japan, Russia, South Korea, the UK, and the USA.

The engineering services market consists of revenue earned by entities that advise, prepare feasibility studies, prepare preliminary and final plans and designs, provide technical services during the construction or installation phase, and inspect and evaluate engineering projects. Engineering services' companies apply physical laws and principles of engineering in the design, development, and utilization of machines, materials, instruments, structures, processes, and systems. Engineering services include technical application of engineering in product designing, innovations and others in industries such as building construction, mining, power and energy, transportation, manufacturing and others. The market value includes the value of related goods sold by the service provider or included within the service offering. Only goods and services traded between entities or sold to end consumers are included.

The global engineering services market is segmented –

- 1) By Type: Civil Engineering Services, Environmental Engineering Services, Construction Engineering Services, Mechanical Engineering Services, Other Engineering Services
- 2) By End User: Automotive, Industrial Manufacturing, Healthcare Sector, Aerospace, Telecommunications, Information Technology, Energy & Utilities, Other End Users
- 3) By Engineering Disciplines: Civil, Mechanical, Electrical, Piping and Structural Engineering
- 4) By Delivery Model: Offshore, Onsite

## **Overview of Indian Engineering Industry**

An economy's infrastructure is pivotal in propelling its progress and setting the stage for its future development possibilities. Infrastructure development is crucial to achieve the India 2047 vision for a \$ 40 trillion economy and be reclassified from a developing economy to a developed economy. In the aftermath of COVID-19 and the digitization of the world, the focus rests not only on physical infrastructure, but on digital and social infrastructure as well. India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Budget 2023 gives a powerful thrust to these three dimensions of infrastructure development which, put together, accelerate inclusive growth. The targeted investments will

not only create vital physical infrastructure and improve connectivity that will accelerate the movement of passengers and freight, but also create jobs, spur private investments, and provide a cushion against global headwinds. In Budget 2022-23, India focused on giving the necessary push to the economy by investing in various infrastructure projects. In the upcoming Budget, the infrastructure sector will receive a similar amount to reach India's goal of becoming a USD5 trillion economy by 2025. In Budget 2023-24, India's capital expenditure as a percentage of GDP increased from 1.7% in 2014 to nearly 2.9% in 2022-23 and for infrastructure, Rs 10 lakh crore (3.3% of GDP) was allocated in the budget 2023-24, an increase of three times from 2019. The Ministry of Railways received its highest-ever allocation of Rs 2.4 lakh crore, approximately nine times the allocation in 2013-14. The Ministry of Road Transport and Highways saw a 36% increase in its budget to about Rs 2.7 lakh crore. The direct capital investment by the Centre has been further supplemented by a one-year extension of the 50-year interest-free loan to state governments to encourage infrastructure investment and incentivise complementary policy actions, with a significantly increased outlay of Rs 1.3 lakh crore. This will lead to decentralised infrastructure development in urban and peri-urban areas across regions. Increasing allocations to PM Awas Yojana by 66% will not only provide rural workers with housing, but also create jobs.

Infrastructure development requires the involvement of multiple stakeholders for the overall growth of the society. Thus, the Indian infrastructure sector primarily utilises the Public-Private Partnership (PPP) approach. As per the Department of Economic Affairs, India has taken a systematic approach to create a robust PPP program for "delivery of high-priority public utilities and infrastructure." With "close to 2000 PPP projects in various stages of implementation, India's program is one of the largest in the world according to the World Bank." Under PPP, infrastructure is developed under the "Build-Operate-Transfer ('BOT')" model and the private sector is incentivised to build and maintain the infrastructure effectively so that more and more people use it which would provide revenue to the private sector. Infrastructure support to nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical. The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

The Indian government focuses on India's infrastructural needs and has developed various schemes and policies in this regard. The National Infrastructure Pipeline (NIP), introduced in 2019 emphasizes social and infrastructure projects including energy, roads, railways, and urban development projects worth INR 102 lakh crores. The Centre and States have nearly equal contribution (39% and 40%) while the private sector has a 21% share. NIP is complemented by the PM GatiShakti Master Plan which is dedicated to improving India's logistics network. In India Budget 2023-24, the Indian government emphasized the need for increased spending in the infrastructure sector and nearly trebled its infrastructure spending to 3.3% of GDP compared to its spending in 2019-20. The Budget has allocated INR 75000 crores for 100 projects deemed critical to improving the overall multimodal logistics infrastructure.

In order to meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water& irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling



need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

### **Company Overview**

DMR Hydroengineering and Infrastructures Limited (‘DMR’ or ‘Company’) is engaged in the business of providing engineering consultancy and due diligence services to hydropower, dams, roads and railway tunnels etc. The services offered by our Company include entire life cycle of projects covering design & engineering, due diligence & regulatory, bid management & construction engineering and quality & inspection. Our company offers Hydro Engineering and Infrastructure services viz., Strategic Advisory, Due Diligence Studies, Project Viability Analysis, Cost Benefit Analysis, Risk Analysis, Regulatory Approvals, Monitoring and Evaluation, Geological Studies, Hydrological Studies, Hydraulic Studies, Hydraulic Design of Structures, Geotechnical Design of Surface and Underground Structures, Structural Design and Analysis, Dynamic Analysis, Numerical Analysis, Instrumentation Analysis, Detailed Design and Drawings, Bid level Designs and Drawings, Detailed Project Report, Feasibility Report, Layout Studies and Alternatives Analysis, Design Review, As Built Drawings, Bid documents, Bill of Quantities, Construction Planning and Scheduling, Construction Management and Method Statements, Design and Engineering Support During Construction, Rate Analysis and Cost Estimates, Contract Management, Procurement Management, Project Management, Project Commissioning, Completion Report, QA/QC plans, Quality Assurance at Site, Pre-Dispatch Inspection, Third Party Inspection, Safety Inspection and O & M stage Inspection.

Domestically, we have our presence across 13 states such as Uttar Pradesh, Himachal Pradesh, Jammu and Kashmir, Sikkim, Delhi, Noida, Arunachal Pradesh, Uttarakhand, Telangana, Odisha, Maharashtra, Rajasthan, and Punjab. Internationally, we have executed assignments in around 5 countries namely Nepal, Nigeria, Laos, Germany and Senegal.

### **DMR Service Portfolio**

Our Company is engaged in the business of providing engineering consultancy and due diligence services to hydropower, dams, roads and railway tunnels etc. The services offered by our Company include entire life cycle of projects covering design & engineering, due diligence & regulatory, bid management & construction engineering and quality & inspection. Given below is the list of services offered by our Company:

<p><b>Design &amp; Engineering</b></p> <ul style="list-style-type: none"> <li>i. Topographical Surveys</li> <li>ii. Geotechnical Investigations</li> <li>iii. Geological Mapping</li> <li>iv. Feasibility Report</li> <li>v. Detailed Project Report</li> <li>vi. Hydrological Studies</li> <li>vii. Hydraulic Design of Structures</li> <li>viii. Hydraulic Model Studies</li> <li>ix. Geotechnical Design of Surface &amp; Underground Structures</li> <li>x. Structural Design and Analysis</li> </ul>	<p><b>Bid Management &amp; Construction Engineering</b></p> <ul style="list-style-type: none"> <li>i. Tender documents and BOQ</li> <li>ii. Construction Planning &amp; Scheduling</li> <li>iii. Construction Management &amp; Method Statements</li> <li>iv. Design &amp; Engineering Support During Construction</li> <li>v. Billing, Rate Analysis and Cost Estimates</li> <li>vi. Contract Management &amp; Claims Management</li> </ul>
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xi. Concrete Technology & Grouting Technology xii. Numerical Analysis xiii. Instrumentation Analysis xiv. Detailed Design and Drawings	vii. Procurement Management viii. Project Management ix. Time Studies x. Project Commissioning
<b>Quality &amp; Inspection</b> i. QA/QC plans ii. Lab Testing iii. Quality Assurance at Site iv. Pre-dispatch Inspection v. Third Party Inspection vi. Compliance Audit vii. Dam Safety & Inspections	<b>Due Diligence &amp; Regulatory</b> i. Strategic Advisory ii. Due Diligence Studies iii. Project Development Services iv. Impact Assessment, Monitoring & Evaluation v. Regulatory Support and Assessment vi. Environment Studies vii. Health & Safety

### Opportunities

- i) Increase number of clients in tunneling sector e.g., road tunnel and railway tunnel.
- ii) Focusing on national and international collaboration;
- iii) Wide range of exposure in infrastructure sector such as domestic, foreign and international market;
- iv) Collaboration with new JV, Alliance, Contractors, other Consulting Companies;
- v) Government focusing on building up Infrastructure of the Country;
- vi) Focus on global market

### Threats

- i) Man power retention of existing knowledge personnel;
- ii) Change of government policy or economic downturn or other factors adversely affecting investments on infrastructure in India;
- iii) Climate change is a threat to the Company's infrastructure that may disrupt operations and potentially impact the safety and well-being of employees;
- iv) Reliability of Information Technology in infrastructure;
- v) New and existing players may flourish the same segment of industry business;
- vi) Quality Control

### Segment-wise performance for Financial Year 2022-23

The segment wise performance of the Company for the financial year 2022-23 is provided below:

Segment of Revenue	Revenue Sharing
Hydro power and Renewables	60%
Water resource irrigation & barrage	25%
Road Tunnel	7%
Rail Tunnel	8%
Mining	-
<b>Total</b>	<b>100%</b>

## Outlook

The outlook of the business of our Company is pretty much bullish. The order book of the Company is expanding. Our customer base is expanding and our order size is also increasing. Our targeted business for financial year 2023-24 is on right track even at the beginning of the financial year. There is possibility of exceeding our targeted revenues for financial year 2023-24. Further, the Company also has a steady growth in its domestic as well as international business, and the management is exploring new geographical area to expand its international business. Thus, we look forward to maintain right balance of domestic and international business. We are hiring more workspace for our expanding workforce. Our dedicated Human Resource (HR) Department is on job in spotting new talent, training them and deploying them to the assignments from the customers. Our trained manpower strength is also increasing in tandem with our business growth. We are vigorously following work from home (WFH), flexible work place and decentralized working practices. Further, the Company is adding new work places in National Capital Region and at projects sites of our clients. The Company's focus on corporate governance has sharply increased after becoming a public listed company. We strive to practice the best ethical business environment in the Company.

## Risk Management

Our Risk Management framework is based on globally recognized standards and industry best practices. It is designed to be dynamic and flexible to adapt to the changing business environment. The objective of the framework is to enable and support achievement of business objectives through risk-intelligent assessments, in addition to placing significant focus on the constant identification and mitigation of all categories of risks within the business, including emerging risks. The Company has taken following logical and sequential steps in risk management process by Risk Identification, Risk Analysis, Risk Assessment and Handling of Risk.

In DMR listed below are some of the key risk's identification, anticipated impact on the company and mitigation strategies.

<b>Key Risks</b>	<b>Impact on the Company</b>	<b>Mitigation Plan</b>
<b>Legal, Regulatory and Compliance Risk</b>	The risk arises on account of non-compliance or breach of laws or regulations which the entity is supposed to adhere. It may result in deterioration of reputation in public eye.	A program on statutory compliance is in place to track all applicable regulations, obligations and corresponding actions to ensure compliance.
<b>Business Growth Risk</b>	The risk arises if the organization fails to undertake advance planning, testing and effective execution of critical processes, to ensure the ability to recover and maintain business operations in the event of a disruption due to internal, third party, physical, natural circumstances, etc.	Pro-active business continuity plans prepared, identifying new business opportunity, competent resources for business development and engagement with visionary leaders for guidance on growth.
<b>Talent &amp;</b>	The company's ability to attract,	The Company's objective is to create

<b>Culture Risk</b>	develop, motivate, and retain talent is critical to its business success. A highly motivated and skilled resources are a backbone of the organization. Effective and efficient people management help business gain a competitive advantage. A risk that could arise if organizations fail to hire and manage resources appropriately.	a workplace that promotes transparency and collaboration. The Company has implemented a comprehensive training strategy to address the development requirements of personnel at all organizational levels. This provides solutions for professional, technical, functional, and leadership development. The HR team strives ceaselessly to reach out to every employee to support their development and provide internal opportunities for career advancement. This enables them to accomplish their objectives through the development of comprehensive career and talent development plans.
<b>Financial Risk</b>	The risk which has some direct financial impact on the entity such as Taxation Risks, Market Risk, Foreign Currency Risk, Credit Risk, Liquidity Risk, Operational Risk, Country Risk.	Managing financial risk through a four-stage process such as Identifying potential financial risks, Analyzing and quantifying the severity of these risks, deciding on a strategy to manage these risks and monitoring the success of the strategy.
<b>Environment, Social and Governance (ESG) Risk</b>	ESG is the social compass of an organization and is used by conscious investors and clients for strategic partnerships. A low sustainability score will impact business growth and lead to financial and reputational impact.	DMR taken various precautionary steps towards improving and developing of ESG framework by focusing on Sustainability Initiatives, Business Ethics, ESG Reporting, ESG Activities, Human Rights Management.
<b>Employee Health &amp; Safety Risk</b>	Providing a healthy and safe working environment will improve employee productivity, retention and avoid any reputation impact. It also helps business gain a competitive advantage.	Awareness and training programs, and support for physical and psychological issues, taken medical insurance of all permanent employees.
<b>Fraud and Anti Bribery and Anti-Corruption (ABAC) Risk</b>	Integrity is of utmost priority for safeguarding market confidence and building client trust. Non-compliance to ABAC requirements or fraud instances can expose an organization to reputational and financial damage.	DMR Business Code of Conduct is based on integrity and transparency manner. Further, DMR conduct ABAC program, Risk Management program for ensures a strong governance in the Company.

<b>Corporate Governance Risk</b>	Corporate governance is critical for the success of DMR and any risks can result in reputation loss and damage to stakeholder trust and business disruption.	Periodical internal reviews, audit and presentations on changes introduced by regulators.
<b>Climate Change</b>	Climate change is a threat to the Company's infrastructure that may disrupt operations and potentially impact the safety and well-being of employees.	Business continuity policy and emergency response plans are in place.

### **Internal Control Systems**

The company's internal control systems are adequate and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against significant misuse or loss of company assets.

The Internal audit is being conducted to assess the adequacy of the internal controls procedures and processes, and their reports are reviewed by the Audit Committee of the Board. Policy and process corrections are undertaken based on inputs from the internal auditors.

### **Discussion on Financial Performance with respect to Operational Performance**

During the Financial year 2022-23, the Company witnessed a growth of 25.12% in its revenue from operations i.e., from Rs. 357.02 Lakhs in the previous year to Rs. 446.72 Lakhs in the current year. Further, the net profit of the Company grew by 12.80% i.e., from Rs. 68.65 Lakhs in the previous year to Rs. 77.44 Lakhs in the current year.

The overall performance of the Company during financial year 2022-23, reinforces the effectiveness of the initiatives undertaken by the Company's Management leveraging better business opportunities.

### **Human Resources**

DMR firmly believes that its growth is predominantly attributed to its human capital. In light of a dynamic operating environment, employees are a crucial part of the Company for developing competencies, strategic planning, building up systems and creating a growth-oriented organizational culture. Our ability to recruit, train, retain and deploy our workforce of Engineers Professionals influences our profit margins and the results of our operations. The Company had a total workforce of 40 permanent employees as of 31st March 2023.

The Company believes that Human Resource is the most important resource at its organization which pushes the Company towards sustainable growth. The team is a balanced mix of experience and youth which allows a holistic approach to varied situations. We have continuously focused on training and development to the new Engineers appointed in the Company.

Our Company has an experienced and talented pool of employees who contribute to enhancing the business efficiency, devising strategies, setting up systems and responding to the evolving business needs.

Training is an imperative and a key cost element. The ability to train our people in the right place and invest in it ahead of time is a very important element in managing their deployment to projects and also motivating them to stay engaged.

The Company has established a Whistleblower Policy that encourages directors and employees to report instances of unethical behavior, actual or suspected fraud, or violations of the code of conduct to the Company. This policy is aimed at maintaining DMR's employees' well-being and ensure that no one is victimized or harassed.

All the above aspects of people and its correct management is critical to the continues success of the Company.

### **Talent Acquisition**

Out of the numerous challenges DMR has remarkably confronted the necessity of skilled and professional manpower as per the requirement of its business through use of reliable means of engagement and attractive remuneration at par with the market. The acquisition policy adopted for attracting talents as per needs of the business never put the organization yearning for requirement. Moreover, the talent recruited are well scrutinized for their knowledge, experience and potential before inducting into the organization. The average tenure of stay by an employee in the organization from induction is around 3 years at the level of executives.

### **Talent Management**

DMR aims to attract, develop, motivate and retain diverse talent, that is critical for its competitive differentiation and continued success. The company's talent management strategy seeks to maximize the potential of every employee by creating a purpose-driven, inclusive, stimulating, and rewarding work environment, delivering outstanding employee experience, while fueling business growth. The Company strives to create a vibrant workplace and an engaged workforce by encouraging four behaviors: follow your passion, stay hungry, commit to lifelong learning and thrive together.

### **Talent Development**

The Company considers its human capital to be the most important asset and treats its people with respect and dignity in all situations. DMR strongly believes that every employee should have access to market relevant learning opportunities for career growth. The company has adopted a segmented approach to learning to ensure this and relies primarily on target oriented mentorship, experiential learning and on job training.

### **Culture and Diversity**

DMR never distinguishes work, conversations or conduct of its employees on the basis of Age, gender, disability, race or ethnicity. Promotion of mutual trust and respect amongst its employees are given utmost importance. The gamut of employees of DMR belongs to diverse states and socio-economic background of the country. All employees are encouraged to

participate actively in discussions, innovative talks and idea generation in all work fronts and any show or act to display of harassment is not tolerated.

### Key Financial Ratios

S. No.	Description	March 31, 2023	March 31, 2022	Explanation for significant changes, if any
1.	Net Capital Turnover Ratio	1.89	1.05	This ratios is increased due to decrease in working capital
2.	Debtors Turnover Ratio	2.06	2.30	Movement is not more than 25%, so that reason is not required to be disclosed.
3.	Interest Coverage Ratio	19.20	62.88	Decrease in borrowing during the year resulting into decrease in finance cost.
4.	Current Ratio	3.82	10.46	Due to increase in Short Term Borrowings & decrease in Investments & other current liability, this ratio is decreased significantly
5.	Debt Equity Ratio	0.09	0.14	This ratio is decreased due to availing of repayment of credit Facilities from Bank.
6.	Operating Profit Margin (%)	27.10	26.20	This ratio is increased due to working capital expenses and increase in the employees benefit expenses.
7.	Net Profit Margin (%)	17.69%	19.42%	Movement is not more than 25%, so that reason is not required to be disclosed.
8.	Return on equity Ratio	14.30%	16.94%	Movement is not more than 25%, so that reason is not required to be disclosed.

### Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

# DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

Standalone Balance sheet as at March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount In Lakhs)

Particular	Notes	31-Mar-23	31-Mar-22
<b>I. Equity and Liabilities</b>			
<b>Shareholders Fund</b>			
Share Capital	2.1	372.62	372.62
Reserves & Surplus	2.2	205.96	132.25
		<b>578.58</b>	<b>504.87</b>
<b>Share Application Money Pending Allotment</b>		-	-
<b>Non-current liabilities</b>			
Long Term Borrowings	2.3	21.34	65.64
Deferred tax liabilities (Net)	2.4	2.71	0.69
Long Term Provisions	2.5	8.02	
		<b>32.07</b>	<b>66.33</b>
<b>Current liabilities</b>			
Short Term Borrowings	2.6	29.95	5.29
Trade payables			
(a) total outstanding dues of micro and small enterprises	2.7	-	-
(b) total outstanding dues other than micro and small enterprises	2.7	8.74	6.58
Other current liabilities	2.8	19.82	2.72
Short term Provisions	2.9	23.63	21.41
		<b>82.15</b>	<b>36.00</b>
<b>Total</b>		<b>692.80</b>	<b>607.20</b>
<b>II. Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Property, Plant & Equipments	2.10	204.06	201.27
Intangible Assets	2.10	38.65	16.26
Capital WIP	2.10	-	-
Long Term Loans & Advances		-	-
Non Current Investments	2.11	134.29	10.55
Deferred Tax Assets		-	-
Other Non Current Assets	2.12	2.37	2.46
		<b>379.37</b>	<b>230.55</b>
<b>Current Assets</b>			
Investments	2.13	-	118.85
Inventories		-	-
Trade Receivables	2.14	247.00	177.39
Cash & Bank Balances	2.15	9.94	18.93
Short Term loans & advances	2.16	0.84	0.48
Other current Assets	2.17	55.65	61.01
		<b>313.44</b>	<b>376.66</b>
<b>Total</b>		<b>692.80</b>	<b>607.20</b>
Notes on significant accounting policies		1	
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAA3424  
Place : Faridabad  
Date : 29.04.2023

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructures Limited

Subhash Chander Mittal                      Neelam Mittal  
Chairman Cum Managing                      Director  
Director    Director  
DIN : 02861072                                      DIN : 02861064

Bal Mukund Kumar                              Ravinder Kumar  
Chief Financial Officer                              Company Secretary



# DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

Standalone Statement of Profit and Loss for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount In Lakhs)

Particular	Notes	31-Mar-23	31-Mar-22
<b>Income</b>			
Revenue from Operations	2.18	437.73	353.45
Other Income	2.19	8.99	3.57
<b>Total Income (I)</b>		<b>446.72</b>	<b>357.02</b>
<b>Expenses</b>			
Employee benefit expenses	2.20	183.88	106.67
Finance Cost	2.21	5.64	1.64
Depreciation & Amortization Expense	2.22	19.32	10.51
Other Expenses	2.23	135.24	147.23
<b>Total Expenses (II)</b>		<b>344.08</b>	<b>266.05</b>
<b>Profit/(loss) Before Prior period, exceptional and extraordinary items and tax (I) - (II)</b>		<b>102.64</b>	<b>90.97</b>
Prior period items (Net)		-	-
<b>Profit/(Loss) before tax</b>		<b>102.64</b>	<b>90.97</b>
<b>Tax Expenses</b>			
Current Tax		23.18	21.41
Deferred Tax Charge		2.01	0.90
<b>Total Tax Expense</b>		<b>25.20</b>	<b>22.31</b>
<b>Profit/(loss) after tax</b>		<b>77.44</b>	<b>68.65</b>
<b>Earnings/(loss) Per Share</b>			
Basic (Nominal value of shares Rs.10 (PY: Rs.NIL))	2.24	2.08	2.15
Diluted (Nominal value of shares Rs.10 (PY: Rs.NIL))	2.24	2.08	2.15
Notes on significant accounting policies	1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructures Limited

Subhash Chander Mittal  
Chairman Cum Managing Director  
DIN : 02861072

Neelam Mittal  
Director  
DIN : 02861064

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAA3424  
Place : Faridabad  
Date : 29.04.2023

Bal Mukund Kumar  
Chief Financial Officer

Ravinder Kumar  
Company Secretary

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

CIN No: L74900HR2009PLC039823

Standalone Statement of Cash Flows for the period ended March 31, 2023

Statement of Cash Flows for the period ended March 31, 2023	(Amount in Lakhs)	
Cash flow statement as at	31 March 2023	31 March 2022
<b>Cash flow from operating activities</b>		
<b>Net Profit before tax and extraordinary items</b>	102.64	90.97
<b>Non-Cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation	19.32	10.51
Interest Received	(7.24)	(3.42)
Gratuity Expenses	8.48	-
Finance Cost	5.14	1.22
<b>Operating profit before Working Capital changes</b>	<b>128.34</b>	<b>99.27</b>
<b>Change in Working Capital</b>	<b>(45.35)</b>	<b>(69.33)</b>
Increase/(Decrease) in Trade Payables	2.16	6.27
Increase/(Decrease) in Other current Liabilities	17.10	(6.94)
Decrease/(Increase) in Trade receivables	(69.61)	(46.89)
Increase in Short Term Loans & Advances	(0.36)	(0.23)
Decrease/(Increase) in Other Current Assets	5.36	(21.54)
<b>Cash generated from operations</b>	<b>82.99</b>	<b>29.94</b>
Income Tax(Paid)/ Refund	(21.41)	(21.58)
<b>Net Cash flow from / (used in) Operating activities (A)</b>	<b>61.58</b>	<b>8.35</b>
<b>Cash Flow from/(used in) Investing Activities</b>		
Purchase of Fixed Assets	(44.49)	(112.63)
(Purchase) Sales of Investments	118.85	(82.62)
Interest received	7.24	3.42
(Decrease)/Increase in Long Term Investments	(123.74)	1.46
Increase in Other Non Current Assets	0.09	(2.27)
<b>Net Cash (used in) investing activities (B)</b>	<b>(42.06)</b>	<b>(192.64)</b>
<b>Cash Flow from/ (used in) Financing Activities</b>		
Payment of Finance Cost	(5.14)	(1.22)
Repayment of Borrowings`	(19.64)	70.93
Dividend Paid During the year	(3.73)	
Proceeds from Equity Share Capital	-	79.80
Proceeds from Securities Premium (Net off IPO Expenses)	-	50.92
<b>Net Cash flow from / (used in) financing activities (C)</b>	<b>(28.52)</b>	<b>200.43</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(9.00)</b>	<b>16.14</b>
Cash and Cash Equivalents at the beginning of the year	18.93	2.79
<b>Cash and Cash Equivalents at the end of the year</b>	<b>9.94</b>	<b>18.93</b>
<b>Cash &amp; Cash Equivalents comprises of</b>		
<b>Cash in Hand</b>	<b>0.34</b>	<b>1.06</b>
<b>Cash at Bank</b>	<b>9.60</b>	<b>17.87</b>

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAA3424  
Place : Faridabad  
Date : 29.04.2023

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructures Limite

Subhash Chander Mittal      Neelam Mittal  
Chairman Cum Managing  
Director                              Director  
DIN : 02861072                      DIN : 02861064

Bal Mukund Kumar              Ravinder Kumar  
Chief Financial Officer              Company Secretary

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
**Notes to Standalone financial Statements for the period ended March 31, 2023**  
**CIN No: L74900HR2009PLC039823**

**Share Holder Funds**

(Amount in Lakhs)

2.1. Share Capital	31 March 2023	31-Mar-22
<b>Authorised Shares</b>		
40,00,000 Equity Shares of Rs. 10 Each (Previous Year 20,00,000 Equity Shares of Rs. 10 Each)	400.00	200.00
<b>Issued Shares</b>		
37,26,200 Equity Shares of Rs. 10 Each (Previous Year 37,26,200 Equity Shares of Rs. 10 Each)	372.62	372.62
<b>Subscribed &amp; Paid up Shares</b>		
37,26,200 Equity Shares of Rs. 10 Each (Previous Year 37,26,200 Equity Shares of Rs. 10 Each)	372.62	372.62
<b>Total Issued, Subscribed and Fully Paid-up Shares</b>	<b>372.62</b>	<b>372.62</b>

**A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	FY 2022-23		FY 2021-22	
	Number	Issued Capital (Rs.)	Number	Issued Capital (Rs.)
Shares outstanding at the beginning of the year	37.26	372.62	14.64	146.41
Shares Issued during the year	-	-	22.62	226.21
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>37.26</b>	<b>372.62</b>	<b>37.26</b>	<b>372.62</b>

**B. Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held**

Particulars	FY 2022-23		FY 2021-22	
	Number	% of Holding	Number	% of Holding
Sh. Subhash Chander Mittal	10.90	29.25%	10.90	29.25%
Mrs. Neelam Mittal	12.88	34.57%	12.88	34.57%
Mr. Divay Mittal	1.61	4.32%	1.61	4.32%
Ms. Deepika Mittal	1.61	4.32%	1.61	4.32%

**C. Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

There is no Holding Company of DMR Hydroengineering & Infrastructure Limited

**D. Shares with rights preferences and restrictions attaching to each class including restriction on distribution of dividend and repayment of capital**

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**E. Shareholding of Promoters**

Shares Held by Promoters at the end of year	2022-23			2021-22		
	No. of Shares	% of Shares	% Change during the year	No. of Shares	% of Shares	% Change during the year
Sh. Subhash Chander Mittal	10.90	29.25%	-	10.90	29.25%	-
Mrs. Neelam Mittal	12.88	34.57%	-	12.88	34.57%	-

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
**Notes to Standalone financial Statements for the period ended March 31, 2023**  
CIN No: L74900HR2009PLC039823

**SHAREHOLDERS FUND**

(Amount in Lakhs)

2.2. Reserves & Surplus	31 March 2023	31 March 2022
<b>A. Security Premium</b>		
Opening balance	50.92	-
Add: Additions during the Period	-	87.78
Less: Utilized for IPO Expenses	-	36.86
	50.92	50.92
<b>B. Surplus</b>		
Opening balance	81.33	159.09
(+) Net Profit/(Net Loss) For the current year	77.44	68.65
(-) Dividend Paid During the Year	(3.73)	
(-) Appropriation	-	(146.41)
	155.04	81.33
<b>Closing Balance</b>	<b>205.96</b>	<b>132.25</b>

**LONG TERM BORROWINGS**

2.3. Long Term Borrowings	31 March 2023	31 March 2022
Housing Development Finance Corporation Ltd	-	65.64
Kotak Bank Loan	22.11	
HDFC EV Car Loan	9.06	
Less: Current Maturities of Long Term Debts	9.83	
<b>Total</b>	<b>21.34</b>	<b>65.64</b>

2.4. Deferred Tax Liabilities	31 March 2023	31 March 2022
Opening Balance of Deferred Tax Liabilities	0.69	(0.21)
Addition during the year	2.01	0.90
<b>Total</b>	<b>2.71</b>	<b>0.69</b>

2.5. Long Term Provisions	31 March 2023	31 March 2022
Provision for Gratuity	8.02	-
<b>Total</b>	<b>8.02</b>	<b>-</b>

**Current liabilities**

2.6. Short Term Borrowings	31 March 2023	31 March 2022
Bank Overdraft	20.12	0.06
Current Maturities of Long Term Debt	9.83	5.23
<b>Total</b>	<b>29.95</b>	<b>5.29</b>

2.7. Trade Payables	31 March 2023	31 March 2022
Trade Payables		
Micro, Small & Medium Enterprises	-	-
Other than Micro, Small & Medium Enterprises	8.74	6.58
<b>Total</b>	<b>8.74</b>	<b>6.58</b>

**2.7.1 Disclosure in respect of amount due to Micro, Small & Medium Enterprises:**

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2023 has been made in the financials statements based on information received and available with the Company as on date of financials. The Company has not received any claim for interest from any supplier under the said Act.

2.8. Other Current Liabilities	31 March 2023	31 March 2022
Unpaid Audit Fees	1.25	-
Dividend Payable	0.04	
EDLI Contribution	0.02	0.00
TDS Payable	0.69	1.06
ESI Payable	0.04	
Other Expenses Payable	0.80	0.29
GST Payable	0.63	0.79
EPF Payable	1.11	0.15
Electricity Charges Payable	-	0.07
Salary Payable	12.77	-
Amount Payable to DMR Consulting Inc.	2.46	
Imprest		0.35
<b>Total</b>	<b>19.82</b>	<b>2.72</b>

2.9. Short Term Provisions	31 March 2023	31 March 2022
Provision for Income Tax Current Year	23.18	21.41
Gratuity Payable	0.45	
<b>Total</b>	<b>23.63</b>	<b>21.41</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
Notes to Standalone financial Statements for the period ended March 31, 2023  
CIN No: L74900HR2009PLC039823

**NON CURRENT ASSETS**

(Amount in Lakhs)

2.10. Property, Plant & Equipments Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01st Apr 2022	Additions	Deletion/Sale	Balance as at 31 March 2023	Balance as at 01st Apr 2022	Depreciation charge for the period	Deletion- Sale/Loss	Balance as at 31 March 2023	Balance as at 01st Apr 2022	Balance as at 31 March 2023
<b>A. Property Plant &amp; Equipment Tangible</b>										
Land	25.20	-	-	25.20	-	7.79	-	-	25.20	25.20
Building	164.93	-	-	164.93	5.07	7.79	-	12.85	159.86	152.08
Plant & Machinery	1.45	-	-	1.45	0.79	0.12	-	0.91	0.66	0.54
Computer & Data Processing Units	20.36	4.28	-	24.64	15.61	4.47	-	20.08	4.75	4.56
Electrical Equipments & Installation	0.99	0.33	-	1.31	0.27	0.29	-	0.56	0.71	0.75
Furniture & Fixtures	4.44	1.98	-	6.43	2.11	0.63	-	2.74	2.33	3.69
Lab Equipments	8.08	-	-	8.08	2.32	1.49	-	3.81	5.76	4.27
Office Equipments	5.24	1.15	-	6.39	3.26	1.44	-	4.69	1.99	1.70
EV Car	-	11.41	-	11.41	-	0.14	-	0.14	-	11.27
<b>Total A</b>	<b>230.70</b>	<b>19.14</b>	<b>-</b>	<b>249.84</b>	<b>29.42</b>	<b>16.36</b>	<b>-</b>	<b>45.78</b>	<b>201.27</b>	<b>204.06</b>
<b>B. Intangible Assets</b>										
Softwares	19.60	25.34	-	44.95	3.34	2.96	-	6.30	16.26	38.65
<b>Total B</b>	<b>19.60</b>	<b>25.34</b>	<b>-</b>	<b>44.95</b>	<b>3.34</b>	<b>2.96</b>	<b>-</b>	<b>6.30</b>	<b>16.26</b>	<b>38.65</b>
<b>C. Capital Work in Progress</b>										
LV Project Flat	-	-	-	-	-	-	-	-	-	-
<b>Total C</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>250.30</b>	<b>44.49</b>	<b>-</b>	<b>294.79</b>	<b>32.77</b>	<b>19.32</b>	<b>-</b>	<b>52.09</b>	<b>217.53</b>	<b>242.70</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

*Notes to Standalone financial Statements for the period ended March 31, 2023*

CIN No: L74900HR2009PLC039823

**OTHER NON-CURRENT ASSETS**

	(Amount in Lakhs)	
	31 March 2023	31 March 2022
<b>2.11. Non current Current Investments</b>		
Fixed Deposits	131.83	10.55
Investment in Wholly Owned Subsidiary	2.46	
<b>Total</b>	<b>134.29</b>	<b>10.55</b>
<b>2.12. Non Current Assets</b>		
BSE Security Deposit	2.09	2.09
Security Deposit	0.28	0.37
<b>Total</b>	<b>2.37</b>	<b>2.46</b>

**CURRENT ASSETS**

	31 March 2023	31 March 2022
<b>2.13. Current Investments</b>		
Fixed Deposits	-	118.85
<b>Total</b>	<b>-</b>	<b>118.85</b>

	31 March 2023	31 March 2022
<b>2.14. Trade Receivables</b>		
<b>Unsecured, Considered good</b>		
<b>Debts outstanding other than Related Parties for a period:</b>		
Outstanding for a period more than six months	86.41	61.44
Outstanding for a period less than six months	160.59	115.95
<b>Total</b>	<b>247.00</b>	<b>177.39</b>

	31 March 2023	31 March 2022
<b>2.15. Cash and Bank Balances</b>		
<b>Cash &amp; Cash Equivalent</b>		
Balance with Banks in current Accounts	9.60	17.87
Cash on hand	0.34	1.06
<b>Total</b>	<b>9.94</b>	<b>18.93</b>

	31 March 2023	31 March 2022
<b>2.16. Short Term Loans &amp; Advances</b>		
Advance to Suppliers	0.01	0.29
Advance to Employee Imprest	0.84	0.05
TDS Recoverable from Vendor	-	0.14
<b>Total</b>	<b>0.84</b>	<b>0.48</b>

**2.16.1 Loans & Advances granted to Promoter, Director, KMP & Related Parties**

Type of Borrower	Amount of Loan	Percentage of Total Loan & Advances in the nature of loan
Promoters	-	-
Directors	-	-
KMPS	-	-
Related Parties	-	-

	31 March 2023	31 March 2022
<b>2.17. Other Current Assets</b>		
TDS Recoverable	44.26	33.89
Advance Income Tax	3.00	8.00
Earnest Money	3.87	1.18
Income Tax Refundable	-	12.63
Prepaid Expenses	4.52	
GST Recoverable		5.31
<b>Total</b>	<b>55.65</b>	<b>61.01</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

Notes to Standalone financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount in Lakhs)

<b>2.18. Revenue From Operations</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Sale of Services</b>		
Export	118.88	101.85
Domestic	318.85	251.59
<b>Total</b>	<b>437.73</b>	<b>353.45</b>

<b>2.19. Other Income</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Interest Received	7.24	3.42
Other Incomes	1.74	0.15
<b>Total</b>	<b>8.99</b>	<b>3.57</b>

<b>2.20. Employee Benefits Expenses</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Director Remuneration	12.00	16.07
Salary Expenses	157.69	86.54
Staff Welfare Expenses	1.61	2.96
Contribution to Statutory Funds	12.58	1.11
<b>Total</b>	<b>183.88</b>	<b>106.67</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

Notes to Standalone financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount)

2.21. Finance Cost	31 March 2023
Finance Cost	5.14
Bank Charges	0.50
<b>Total</b>	<b>5.64</b>

2.22. Depreciation & Amortization	31 March 2023
Depreciation Expenses	19.32
<b>Total</b>	<b>19.32</b>

2.23. Other Expenses	31 March 2023
Audit Fees	1.25
Consultancy Charges	48.26
Printing & Stationary Exp	1.83
Advertisement & Business Promotion Expenses	1.35
Listing Expenses	0.53
Donation Expenses	0.10
Electricity Expenses	2.18
Repairs & Maintenance Expenses	5.92
Professional Charges	17.24
Travelling & Conveyance Expenses	18.60
Legal Expenses	0.90
Freight Charges	-
Telephone Expenses	1.16
Interest on Tax	-
Insurance Expenses	1.01
Bad Debts	1.15
Diwali Expenses	-
Foreign Exchange Difference	-
Postage & Courier	0.08
Income Tax Expenses	-
Directors Sitting Fees	3.35
Technical Support Services Expenses	-
Rates & Taxes	-
Processing Charges	-
Site Team Expenses	5.13
Water Charges	-
Subscription Expenses	0.32
Short & Excess	-
Tender Expenses	0.01
Foreign Travelling Expenses	2.37
Misc. Expenses	0.02
Retainership Charges	-
Rent Expenses	6.59
Statutory Fees	-
Software & IT Expenses	4.15
IPO Ceremony Expenses	-
Reimbursement Expenses	-
Office Expenses	7.99
Other expenses	3.77
<b>Total</b>	<b>135.24</b>



**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

Notes to Standalone financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount in Lakhs)

<b>2.24. Earnings Per Share</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Profit/(Loss) after tax as per Statement of Profit and Loss	77.44	68.65
Weighted average number of equity shares in calculating basic EP:	37.26	31.86
Basic {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)}	2.08	2.15
Diluted {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)}	2.08	2.15

## DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

*Notes to Standalone financial Statements for the period ended March 31, 2023*

CIN No: L74900HR2009PLC039823

### 2.23 Related Party Disclosures- AS-18

Relationship with Related party	Name of related parties	
Key Managerial Personnel	Subhash Chander Mittal	
Key Managerial Personnel	Neelam Mittal	
Key Managerial Personnel	Bangam Prasad Rao	
Key Managerial Personnel	Surajit Dutta	
Key Managerial Personnel	Bal Mukund Kumar	
Key Managerial Personnel	Ravinder Kumar	
Associate Concern	DM Consulting Engineers Private Limited	
Associate Concern	M R Foundation	
<b>Transactions with Related Party:-</b>		
<b>(Amount in Lakhs)</b>		
Name of the Party	31 March 2022	31 March 2021
<b><u>Director Remuneation</u></b>		
Subhash Chander Mittal	6.00	6.00
Neelam Mittal	6.00	3.75
Bangam Prasad Rao	1.50	
Surjeet Dutta & Co.	2.75	
Bal Mukund Kumar	4.12	
Ravinder Kumar	3.50	
<b><u>Rent Expenses</u></b>		
Subhash Chander Mittal	2.40	2.40
<b><u>Consulting Services</u></b>		
DM Consulting Engineers Private Limited	7.75	8.74
MR Foundation		
<b>Closing Balance with related parties:-</b>		
Name of the Party	31 March 2022	31 March 2021
NIL		

## DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

Notes to Standalone financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

### 2.24 Other disclosures

(a) **Remuneration to Directors**

Particulars	31 March 2022 (Amount in Lakhs)	31 March 2021 (Amount in Lakhs)
Salary including Variable Pay	12.00	16.07
<b>Total</b>	<b>12.00</b>	<b>16.07</b>

- (b) As per the best estimate of the management, there is no capital commitment and contingent liability exists as on the date of the financial statement.
- (c) Disclosures required under mandatory accounting standards & Schedule III are given to the extent applicable and possible.
- (d) Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.
- (e) Previous year figures are regrouped or rearranged wherever considered necessary.
- (f) Figures have been rounded off to the nearest Lakhs

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructures Limited

Subhash Chander Mittal  
Chairman Cum Managing Director  
DIN : 02861072

Neelam Mittal  
Director  
DIN : 02861064

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAA3424  
Place : Faridabad  
Date : 29.04.2023

Bal Mukund Kumar  
Chief Financial Officer

Ravinder Kumar  
Company Secretary

Profit as per Profit & Loss Account	102.64
Add : Expenses Disallowable	
Depreciation as per Books	19.32
Gratuity Disallowed	8.48
Less : Depreciation as per I.T. Act	30.96
Less: IPO Expenses	7.37
Taxable Income	92.11

Income Tax @ 25.168%	23.18
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#### Calculation of Deferred Tax

WDV As per Books	242.70
WDV As per income Tax	201.35
Difference	-41.35

Gratuity	8.48
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IPO Expenses	22.12
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Net Differnce	-10.75
DTL	-2.71
Opening Balance of DTL	-0.69
Charged to P&L	-2.01

## **NOTE 1 : STANDALONE SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

### **A. COMPANY INFORMATION**

Our company was incorporated as private limited Company under the name “DMR Hydroengineering & Infrastructures Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 15, 2009 issued Deputy Registrar of Companies, National Capital Territory of Delhi & Haryana. Subsequently, our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on January 10, 2019 and consequently, the name of our Company was changed to DMR Hydroengineering & Infrastructures Limited and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Delhi on January 22, 2019. The Corporate Identification Number of our Company is U74900HR2009PLC039823. Subhash Chander Mittal and Neelam Mittal were the initial subscribers to the Memorandum of Association of our Company.

### **B. SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Accounting Convention**

The financial statement are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

#### **2. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

#### **3. Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective t on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

#### **4. Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows

expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

## **5. Depreciation**

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition /deletion as the case may be.

## **6. Investments**

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

## **7. Inventories**

Since we are in the business of providing services, so that we don't have any inventory.

## **8. Revenue Recognition**

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

## **9. Borrowing Cost**

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## **10. Employee Benefits**

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

## **11. Taxes on Income**

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

## Foreign Currency Translation

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate..
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

## 12. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

## C. NOTES ON ACCOUNTS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

### 2. Post Employment Benefits:

Company has valued its obligation related to Employment Benefits as per AS-15 as provided below:

<b>I. ASSUMPTIONS</b>	<b>For the Year Ended on March 31, 2023</b>
Discount Rate	7.50%
Expected Rate of Salary Increase	5.00%
Withdrawal Rate	5.00%
Mortality	IALM 2012-14
Retirement	70 Years
<b>II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS</b>	<b>For the Year Ended on March 31, 2023</b>
Defined Benefit Obligation at beginning of the year	<b>0.00</b>
Current Service Cost	8.48
Interest cost	0.00
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.00
Benefits Paid	0.00
Defined Benefit Obligation as at end of the year	<b>8.48</b>
<b>III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:</b>	<b>For the Year Ended on March 31, 2023</b>
Net liability as at beginning of the year	<b>0.00</b>
Net expense recognized in the Statement of Profit and Loss	8.48
Benefits Paid	0.00
Net liability as at end of the year	<b>8.48</b>
<b>IV. EXPENSE RECOGNIZED:</b>	<b>For the Year Ended on March 31, 2023</b>
Current Service Cost	8.48
Interest Cost	0.00
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.00
Expense charged to the Statement of Profit and Loss	8.48

V. BALANCE SHEET RECONCILIATION:	For the Year Ended on March 31, 2023
Opening net liability	0.00
Expense as above	8.48
Provision Related to Previous Year booked as Prior Period Items	0.00
Return on Plan Assets	0.00
Benefits Paid	0.00
Net liability/(asset) recognized in the balance sheet	8.48

### 3. Segment Reporting

The Company at present is engaged in the business of providing infrastructure services. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS -17 are not applicable to the Company.

### 4. Trade Payable Ageing Summary

**31.03.2023**

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	8.74	-	-	-	8.74
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

**31.03.2022**

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	6.58	-	-	-	6.58
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

### 5. Trade Receivable Ageing Summary

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>31.03.2022</b>						
(i) Undisputed Trade Receivable – considered good	155.62	4.84	-	86.54	-	247.00
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade	-	-	-	-	-	-



Receivable – considered good						
(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	-	-
<b>31.03.2021</b>						
(i) Undisputed Trade Receivable – considered good	115.95	11.60	42.14	7.70	-	177.39
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	-	-

## 6. Accounting Ratios

S. No.	Particular	Numerator	March 31, 2022	March 31, 2021	Reason for Movements
		Denominator			
(a)	Current Ratio	Current Assets	3.82	10.46	Due to increase in Short Term Borrowings & decrease in Investments & other current liability, this ratio is decreased significantly
		Current Liabilities			
(b)	Debt-Equity Ratio	Debt	0.09	0.14	This ratio is decreased due to availing of repayment of credit Facilities from Bank.
		Equity			
(d)	Return on Equity Ratio	Profit After Tax	14.30%	16.94%	Movement is not more than 25%, so that reason is not required to be disclosed.
		Average Shareholders Equity			
(e)	Trade Receivables turnover ratio (in times)	Net Credit Sales	2.06	2.30	Movement is not more than 25%, so that reason is not required to be disclosed.
		Average Trade Receivables			
(f)	Net capital turnover ratio (in times)	Turnover	1.89	1.05	This ratio is increased due to decrease in working capital
		Working Capital			
(g)	Net profit ratio	Profit After Tax	17.69%	19.42%	Movement is not more than 25%, so that reason is not required to be disclosed.
		Total Sales			
(h)	Return on Capital employed	Operating Profit	20.50%	19.72%	Movement is not more than 25%, so that reason is not required to be disclosed.
		Total Capital Employed			
(i)	Return on investment.	Profit After Tax	15.34%	22%	This ratio is decreased due to lower profitability
		Initial Value of Investments			

# **INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS**

## **TO THE MEMBERS OF DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED**

### **OPINION**

We have audited the accompanying Standalone Financial Statements of **DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss for the year ended on March 31, 2023, the Standalone Statement Cash flow statement for the year ended & and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act & other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit/(loss) and its cash flows for the year ended on that date.

### **BASIS FOR OPINION**

We conducted our audit of the Standalone Financial Statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provision of the Act, and the Rules made thereunder, 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 opinion on the financial statements.

### **KEY AUDIT MATTERS**

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>S.No.</b>	<b>Key Audit Matter</b>
1.	<b>Assessment of Trade Receivables:</b>

<p>The increasing challenges over the economy and operating environment in the IT industry during the year have increased the risks of default on receivables from the company’s customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Based on historical default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on March 31, 2023.</p> <p>For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required for the identification of impairment events and the determination of the impairment charge.</p>
<p><b>Auditor Response to key Audit Matter:</b></p>
<p>Principal Audit Procedures: We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> <li>• Tested the accuracy of aging of trade receivables at year end on a sample basis;</li> <li>• Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management’s assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers</li> <li>• Tested subsequent settlement of trade receivables after the balance sheet date on sample basis.</li> </ul> <p><b>Conclusion:</b> We found the key judgement and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p>

**INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON.**

The company’s board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report but does not include the, 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.

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

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

**MANAGEMENT’S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

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

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.

The board of directors are responsible for overseeing the company's financial reporting process.

## **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS**

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 the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatements 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

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

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

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. 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;
  - c) The Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act;

- f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure “A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - (ii) The Company has made provision, as at March 31, 2023 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2023.
  - (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;
  - (v) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For A Y & Company**  
**Chartered Accountants**  
**FRN : 020829C**

**Arpit Gupta**  
**Partner**  
**M.NO. : 421544**  
**UDIN : 23421544BGSQAA3424**  
**Place : Faridabad**  
**Date : 29.04.2023**

## ANNEXURE “A” TO THE AUDITOR’S REPORT

### **Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act , 2013 (‘The Act’)**

We have audited the internal financial control over financial reporting of **DMR Hydroengineering & Infrastructures Limited** (‘the company’) as of 31st March, 2023 in conjunction with our audit of the financial statement of the company for the year ended on that date.

#### **Management 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the 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 Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A Y & Company**  
**Chartered Accountants**  
**FRN : 020829C**

**Arpit Gupta**  
**Partner**  
**M.NO. : 421544**  
**UDIN : 23421544BGSQAA3424**  
**Place : Faridabad**  
**Date : 29.04.2023**

## ANNEXURE “B” TO THE AUDITOR’S REPORT

### **Referred to in Paragraph 2 Under “Report on Other Legal and Regulatory Requirements” of Our Report to the member of DMR Hydroengineering & Infrastructures Limited of Even Date**

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

- 1) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the company.
  - (d) The company has not revalued its Property, Plant & Equipment (including Right of use assets) or intangible assets during the year
  - (e) No proceeding have been initiated or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2)
  - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
  - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- 3) In our opinion the investments made by the company are prima facie, not prejudicial to the interest of the company. Further the company has not, provided any guarantee or security, granted any loans or advances in the nature of loans , secured or unsecured to companies, firms, LLP or other parties covered in register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans are not prejudicial to the company’s interest or whether the receipt of the principal amount and interest are regular and whether reasonable steps for recovery of overdues of such loan are taken, does not arise.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans,

investments, guarantees, and security.

- 5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and no statutory dues were outstanding as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable except as followings:
  - b) According to the information and explanation given to us, there are no dues of income tax, Goods & service tax & duty of customs outstanding on account of any dispute.
- 8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9)
  - a) The Company has not defaulted in repayment of any loans or other borrowings from any lender.
  - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) The term loans were applied for the purpose for which the loans were availed.
  - d) On an overall examination of the financial statements of the Company, funds raised on 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 and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10)
  - a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year so that reporting under this clause 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.

- 11) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub section (12) of section 143 of the companies act has been filed in Form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central Government during the year and upto the date of this report..
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- 12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) a) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) During the year under review, there has been no resignation of statutory auditors during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as

to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- 20) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to subsection (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- 21) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For A Y & Company**  
**Chartered Accountants**  
**FRN : 020829C**

**Arpit Gupta**  
**Partner**  
**M.NO. : 421544**  
**UDIN : 23421544BGSQAA3424**  
**Place : Faridabad**  
**Date : 29.04.2023**

# DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

Consolidated Balance sheet as at March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount In Lakhs)

Particular	Notes	31-Mar-23
<b>I. Equity and Liabilities</b>		
<b>Shareholders Fund</b>		
Share Capital	2.1	372.62
Reserves & Surplus	2.2	205.53
		<b>578.15</b>
<b>Share Application Money Pending Allotment</b>		-
<b>Non-current liabilities</b>		
Long Term Borrowings	2.3	21.34
Deferred tax liabilities (Net)	2.4	2.71
Long Term Provisions	2.5	8.02
		<b>32.07</b>
<b>Current liabilities</b>		
Short Term Borrowings	2.6	30.38
Trade payables		
(a) total outstanding dues of micro and small enterprises	2.7	-
(b) total outstanding dues other than micro and small enterprises	2.7	8.74
Other current liabilities	2.8	17.36
Short term Provisions	2.9	23.63
		<b>80.12</b>
<b>Total</b>		<b>690.34</b>
<b>II.Assets</b>		
<b>Non- current assets</b>		
Fixed assets		
Property, Plant & Equipments	2.10	204.06
Intangible Assets	2.10	38.65
Capital WIP	2.10	-
Long Term Loans & Advances		-
Non Current Investments	2.11	131.83
Deferred Tax Assets		-
Other Non Current Assets	2.12	2.37
		<b>376.91</b>
<b>Current Assets</b>		
Investments	2.13	-
Inventories		-
Trade Receivables	2.14	247.00
Cash & Bank Balances	2.15	9.94
Short Term loans & advances	2.16	0.84
Other current Assets	2.17	55.65
		<b>313.44</b>
<b>Total</b>		<b>690.34</b>
Notes on significant accounting policies	1	
The accompanying notes are an integral part of the financial statements.		

As per our report of even date

For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAB9661  
Place : Faridabad  
Date : 29.04.2023

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructure

Subhash Chander Mittal  
Chairman Cum Managing  
Director  
DIN : 02861072

Bal Mukund Kumar  
Chief Financial Officer

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
**Consolidated Statement of Profit and Loss for the period ended March 31, 2023**  
**CIN No: L74900HR2009PLC039823**

(Amount In Lakhs)

Particular	Notes	31-Mar-23
<b>Income</b>		
Revenue from Operations	2.18	437.73
Other Income	2.19	8.99
<b>Total Income (I)</b>		<b>446.72</b>
<b>Expenses</b>		
Employee benefit expenses	2.20	183.88
Finance Cost	2.21	5.64
Depreciation & Amortization Expense	2.22	19.32
Other Expenses	2.23	135.67
<b>Total Expenses (II)</b>		<b>344.51</b>
<b>Profit/(loss) Before Prior period, exceptional and extraordinary items and tax (I) - (II)</b>		<b>102.21</b>
Prior period items (Net)		-
<b>Profit/(Loss) before tax</b>		<b>102.21</b>
<b>Tax Expenses</b>		
Current Tax		23.18
Deferred Tax Charge		2.01
<b>Total Tax Expense</b>		<b>25.19</b>
<b>Profit/(loss) after tax</b>		<b>77.01</b>
<b>Earnings/(loss) Per Share</b>		
Basic (Nominal value of shares Rs.10 (PY: Rs.NIL))	2.24	2.07
Diluted (Nominal value of shares Rs.10 (PY: Rs.NIL))	2.24	2.07

Notes on significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructure

Subhash Chander Mittal  
Chairman Cum Managing Director  
DIN : 02861072

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAB9661  
Place : Faridabad  
Date : 29.04.2023

Bal Mukund Kumar  
Chief Financial Officer

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

CIN No: L74900HR2009PLC039823

**Consolidated Statement of Cash Flows for the period ended March 31, 2023**

Statement of Cash Flows for the period ended March 31, 2023	(Amount in Lakhs)
Cash flow statement as at	31 March 2023
<b>Cash flow from operating activities</b>	
<b>Net Profit before tax and extraordinary items</b>	102.21
<b>Non-Cash adjustment to reconcile profit before tax to net cash flows</b>	
Depreciation	19.32
Interest Received	(7.24)
Gratuity Expenses	8.48
Finance Cost	5.14
<b>Operating profit before Working Capital changes</b>	<b>127.91</b>
<b>Change in Working Capital</b>	<b>(47.82)</b>
Increase/(Decrease) in Trade Payables	2.16
Increase/(Decrease) in Other current Liabilities	14.64
Decrease/(Increase) in Trade receivables	(69.61)
Increase in Short Term Loans & Advances	(0.36)
Decrease/(Increase) in Other Current Assets	5.36
<b>Cash generated from operations</b>	<b>80.10</b>
Income Tax(Paid)/ Refund	(21.41)
<b>Net Cash flow from / (used in) Operating activities (A)</b>	<b>58.69</b>
<b>Cash Flow from/(used in) Investing Activities</b>	
Purchase of Fixed Assets	(44.49)
(Purchase) Sales of Investments	118.85
Interest received	7.24
(Decrease)/Increase in Long Term Investments	(121.28)
Increase in Other Non Current Assets	0.09
<b>Net Cash (used in) investing activities (B)</b>	<b>(39.60)</b>
<b>Cash Flow from/ (used in) Financing Activities</b>	
Payment of Finance Cost	(5.14)
Repayment of Borrowings`	(19.21)
Dividend Paid During the year	(3.73)
Proceeds from Equity Share Capital	-
Proceeds from Securities Premium (Net off IPO Expenses)	-
<b>Net Cash flow from / (used in) financing activities (C)</b>	<b>(28.09)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(9.00)</b>
Cash and Cash Equivalents at the beginning of the year	18.93
<b>Cash and Cash Equivalents at the end of the year</b>	<b>9.94</b>
<b>Cash &amp; Cash Equivalents comprises of</b>	
<b>Cash in Hand</b>	<b>0.34</b>
<b>Cash at Bank</b>	<b>9.60</b>

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAB9661  
Place : Faridabad  
Date : 29.04.2023

For and on behalf of the Board  
DMR Hydroengineering & I

Subhash Chander Mittal  
Chairman Cum Managing  
Director  
DIN : 02861072

Bal Mukund Kumar  
Chief Financial Officer



**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
**Notes to Consolidated financial Statements for the period ended March 31, 2023**  
**CIN No: L74900HR2009PLC039823**

**Share Holder Funds**

		(Amount in Lakhs)
		31 March 2023
<b>2.1. Share Capital</b>		
<b>Authorised Shares</b>		
40,00,000 Equity Shares of Rs. 10 Each (Previous Year 20,00,000 Equity Shares of Rs. 10 Each)		400.00
<b>Issued Shares</b>		
37,26,200 Equity Shares of Rs. 10 Each (Previous Year 37,26,200 Equity Shares of Rs. 10 Each)		372.62
<b>Subscribed &amp; Paid up Shares</b>		
37,26,200 Equity Shares of Rs. 10 Each (Previous Year 37,26,200 Equity Shares of Rs. 10 Each)		372.62
<b>Total Issued, Subscribed and Fully Paid-up Sha</b>		<b>372.62</b>

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**A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	FY 2022-23	
	Number	Issued Capital (Rs.)
Shares outstanding at the beginning of the year	37.26	372.62
Shares Issued during the year	-	-
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>37.26</b>	<b>372.62</b>

**B. Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held**

Particulars	FY 2022-23	
	Number	% of Holding
Name of Shareholder		
Sh. Subhash Chander Mittal		
Mrs. Neelam Mittal		
Mr. Divay Mittal		
Ms. Deepika Mittal		

**C. Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

There is no Holding Company of DMR Hydroengineering & Infrastructure Limited

**D. Shares with rights preferences and restrictions attaching to each class including restriction on distribution of dividend and repayment of capital**

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**E. Shareholding of Promoters**

Shares Held by Promoters at the end of year	2022-23		
	No. of Shares	% of Shares	% Change during the year
Name of Promoters			
Sh. Subhash Chander Mittal	-	0.00%	-
Mrs. Neelam Mittal	-	0.00%	-

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
**Notes to Consolidated financial Statements for the period ended March 31, 2023**  
**CIN No: L74900HR2009PLC039823**

**SHAREHOLDERS FUND**

(Amount in Lakhs)

2.2. Reserves & Surplus	31 March 2023
<b>A. Security Premium</b>	
Opening balance	50.92
Add: Additions during the Period	-
Less: Utilized for IPO Expenses	-
	50.92
<b>B. Surplus</b>	
Opening balance	81.33
(+) Net Profit/(Net Loss) For the current year	77.01
(-) Dividend Paid During the Year	(3.73)
(-) Appropriation	-
	154.61
<b>Closing Balance</b>	<b>205.53</b>

**LONG TERM BORROWINGS**

2.3. Long Term Borrowings	31 March 2023
Housing Development Finance Corporation Ltd	-
Kotak Bank Loan	22.11
HDFC EV Car Loan	9.06
Less: Current Maturities of Long Term Debts	9.83
<b>Total</b>	<b>21.34</b>

2.4. Deferred Tax Liabilities	31 March 2023
Opening Balance of Deferred Tax Liabilities	0.69
Addition during the year	2.01
<b>Total</b>	<b>2.71</b>

2.5. Long Term Provisions	31 March 2023
Provision for Gratuity	8.02
<b>Total</b>	<b>8.02</b>

**Current liabilities**

2.6. Short Term Borrowings	31 March 2023
Bank Overdraft	20.12
Current Maturities of Long Term Debt	9.83
Unsecured Loan of Subsidiary Company	0.43
<b>Total</b>	<b>30.38</b>

2.7. Trade Payables	31 March 2023
Trade Payables	
Micro, Small & Medium Enterprises	-
Other than Micro, Small & Medium Enterprises	8.74
<b>Total</b>	<b>8.74</b>

**2.7.1 Disclosure in respect of amount due to Micro, Small & Medium Enterprises:**

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2023 has been made in the financials statements based on information received and available with the Company as on date of financials. The Company has not received any claim for interest from any supplier under the said

2.8. Other Current Liabilities	31 March 2023
Unpaid Audit Fees	1.25
Dividend Payable	0.04
EDLI Contribution	0.02
TDS Payable	0.69
ESI Payable	0.04
Other Expenses Payable	0.80
GST Payable	0.63
EPF Payable	1.11
Electricity Charges Payable	-
Salary Payable	12.77
Imprest	
<b>Total</b>	<b>17.36</b>

2.9. Short Term Provisions	31 March 2023
Provision for Income Tax Current Year	23.18
Gratuity Payable	0.45
<b>Total</b>	<b>23.63</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
Notes to Consolidated financial Statements for the period ended March 31, 2023  
CIN No: L74900HR2009PLC039823

**NON CURRENT ASSETS**

(Amount in Lakhs)

2.10. Property, Plant & Equipments Particulars	Gross Block			Accumulated Depreciation			Net Block			
	Balance as at 01st Apr 2022	Additions	Deletion/Sale	Balance as at 31 March 2023	Balance as at 01st Apr 2022	Depreciation charge for the period	Deletion- Sale/Loss	Balance as at 31 March 2023	Balance as at 01st Apr 2022	Balance as at 31 March 2023
<b>A. Property Plant &amp; Equipment Tangible</b>										
Land	25.20	-	-	25.20	-	-	-	-	25.20	25.20
Building	164.93	-	-	164.93	5.07	7.79	-	12.85	159.86	152.08
Plant & Machinery	1.45	-	-	1.45	0.79	0.12	-	0.91	0.66	0.54
Computer & Data Processing Units	20.36	4.28	-	24.64	15.61	4.47	-	20.08	4.75	4.56
Electrical Equipments & Installation	0.99	0.33	-	1.31	0.27	0.29	-	0.56	0.71	0.75
Furniture & Fixtures	4.44	1.98	-	6.43	2.11	0.63	-	2.74	2.33	3.69
Lab Equipments	8.08	-	-	8.08	2.32	1.49	-	3.81	5.76	4.27
Office Equipments	5.24	1.15	-	6.39	3.26	1.44	-	4.69	1.99	1.70
EV Car	-	11.41	-	11.41	-	0.14	-	0.14	-	11.27
<b>Total A</b>	<b>230.70</b>	<b>19.14</b>	<b>-</b>	<b>249.84</b>	<b>29.42</b>	<b>16.36</b>	<b>-</b>	<b>45.78</b>	<b>201.27</b>	<b>204.06</b>
<b>B. Intangible Assets</b>										
Softwares	19.60	25.34	-	44.95	3.34	2.96	-	6.30	16.26	38.65
<b>Total B</b>	<b>19.60</b>	<b>25.34</b>	<b>-</b>	<b>44.95</b>	<b>3.34</b>	<b>2.96</b>	<b>-</b>	<b>6.30</b>	<b>16.26</b>	<b>38.65</b>
<b>C. Capital Work in Progress</b>										
LV Project Flat	-	-	-	-	-	-	-	-	-	-
<b>Total C</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>250.30</b>	<b>44.49</b>	<b>-</b>	<b>294.79</b>	<b>32.77</b>	<b>19.32</b>	<b>-</b>	<b>52.09</b>	<b>217.53</b>	<b>242.70</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**  
*Notes to Consolidated financial Statements for the period ended March 31, 2023*  
 CIN No: L74900HR2009PLC039823

OTHER NON-CURRENT ASSETS

(Amount in Lakhs)	
2.11. Non current Current Investments	31 March 2023
Fixed Deposits	131.83
<b>Total</b>	<b>131.83</b>

2.12. Non Current Assets	31 March 2023
BSE Security Deposit	2.09
Security Deposit	0.28
<b>Total</b>	<b>2.37</b>

CURRENT ASSETS

2.13. Current Investments	31 March 2023
Fixed Deposits	
<b>Total</b>	-

2.14. Trade Receivables	31 March 2023
<b>Unsecured, Considered good</b>	
<b>Debts outstanding other than Related Parties for a period:</b>	
Outstanding for a period more than six months	86.41
Outstanding for a period less than six months	160.59
<b>Total</b>	<b>247.00</b>

2.15. Cash and Bank Balances	31 March 2023
<b>Cash &amp; Cash Equivalent</b>	
Balance with Banks in current Accounts	9.60
Cash on hand	0.34
<b>Total</b>	<b>9.94</b>

2.16. Short Term Loans & Advances	31 March 2023
Advance to Suppliers	0.01
Advance to Employee Imprest	0.84
TDS Recoverable from Vendor	-
<b>Total</b>	<b>0.84</b>

2.16.1 Loans & Advances granted to Promoter, Director, KMP & Related Parties

Type of Borrower	Amount of Loan
Promoters	-
Directors	-
KMPS	-
Related Parties	-

2.17. Other Current Assets	31 March 2023
TDS Recoverable	44.26
Advance Income Tax	3.00
Earnest Money	3.87
Income Tax Refundable	-
Prepaid Expenses	4.52
GST Recoverable	
<b>Total</b>	<b>55.65</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

Notes to Consolidated financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount in Lakhs)

<b>2.18. Revenue From Operations</b>	<b>31-Mar-23</b>
<b>Sale of Services</b>	
Export	118.88
Domestic	318.85
<b>Total</b>	<b>437.73</b>

<b>2.19. Other Income</b>	<b>31-Mar-23</b>
Interest Received	7.24
Other Incomes	1.74
<b>Total</b>	<b>8.99</b>

<b>2.20. Employee Benefits Expenses</b>	<b>31-Mar-23</b>
Director Remuneration	12.00
Salary Expenses	157.69
Staff Welfare Expenses	1.61
Contribution to Statutory Funds	12.58
<b>Total</b>	<b>183.88</b>

## DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

Notes to Consolidated financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

<b>2.21. Finance Cost</b>
Finance Cost
Bank Charges
<b>Total</b>

<b>2.22. Depreciation &amp; Amortization</b>
Depreciation Expenses
<b>Total</b>

<b>2.23. Other Expenses</b>
Audit Fees
Consultancy Charges
Printing & Stationary Exp
Advertisement & Business Promotion Expenses
Listing Expenses
Donation Expenses
Electricity Expenses
Repairs & Maintenance Expenses
Professional Charges
Travelling & Conveyance Expenses
Legal Expenses
Freight Charges
Telephone Expenses
Interest on Tax
Insurance Expenses
Bad Debts
Diwali Expenses
Foreign Exchange Difference
Postage & Courier
Income Tax Expenses
Directors Sitting Fees
Technical Support Services Expenses
Rates & Taxes
Processing Charges
Site Team Expenses
Water Charges
Subscription Expenses
Short & Excess
Tender Expenses
Foreign Travelling Expenses
Misc. Expenses
Retainership Charges
Rent Expenses
Statutory Fees
Software & IT Expenses
IPO Ceremony Expenses
Reimbursement Expenses
Office Expenses
Other expenses
<b>Total</b>

**DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED**

Notes to Consolidated financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

(Amount in Lakhs)

<b>2.24. Earnings Per Share</b>	<b>31 March 2023</b>
Profit/(Loss) after tax as per Statement of Profit and Loss	77.01
Weighted average number of equity shares in calculating basic EP:	37.26
Basic {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)}	2.07
Diluted {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)}	2.07

## DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

*Notes to Consolidated financial Statements for the period ended March 31, 2023*

CIN No: L74900HR2009PLC039823

### 2.23 Related Party Disclosures- AS-18

Relationship with Related party	Name of related parties
Key Managerial Personnel	Subhash Chander Mittal
Key Managerial Personnel	Neelam Mittal
Key Managerial Personnel	Bangam Prasad Rao
Key Managerial Personnel	Surajit Dutta
Key Managerial Personnel	Bal Mukund Kumar
Key Managerial Personnel	Ravinder Kumar
Associate Concern	DM Consulting Engineers Private Limited
Associate Concern	M R Foundation

### Transactions with Related Party:-

(Amount in Lakhs)

Name of the Party	31 March 2023	31 March 2022
<b><u>Director Remuneation</u></b>		
Subhash Chander Mittal	6.00	6.00
Neelam Mittal	6.00	3.75
Bangam Prasad Rao	1.50	
Surjeet Dutta & Co.	2.75	
Bal Mukund Kumar	4.12	
Ravinder Kumar	3.50	
<b><u>Rent Expenses</u></b>		
Subhash Chander Mittal	2.40	2.40
<b><u>Consulting Services</u></b>		
DM Consulting Engineers Private Limited	7.75	8.74

### Closing Balance with related parties:-

Name of the Party	31 March 2023	31 March 2022
NIL		



## DMR HYDROENGINEERING & INFRASTRUCTURE LIMITED

Notes to Consolidated financial Statements for the period ended March 31, 2023

CIN No: L74900HR2009PLC039823

### 2.24 Other disclosures

(a) **Remuneration to Directors**

Particulars	31 March 2023 (Amount in Lakhs)
Salary including Variable Pay	12.00
<b>Total</b>	<b>12.00</b>

- (b) As per the best estimate of the management, there is no capital commitment and contingent liability exists as on the date of the financial statement.
- (c) Disclosures required under mandatory accounting standards & Schedule III are given to the extent applicable and possible.
- (d) Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.
- (e) Previous year figures are regrouped or rearranged wherever considered necessary.
- (f) Figures have been rounded off to the nearest Lakhs

As per our report of even date  
For A Y & Company  
Firm Registration No. 020829C  
Chartered Accountants

For and on behalf of the Board of Directors  
DMR Hydroengineering & Infrastructure

Subhash Chander Mittal  
Chairman Cum Managing Director  
DIN : 02861072

CA Arpit Gupta  
Partner  
Membership No. 421544  
UDIN : 23421544BGSQAB9661  
Place : Faridabad  
Date : 29.04.2023

Bal Mukund Kumar  
Chief Financial Officer

## **NOTE 1 : CONSOLIDATED SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

### **A. COMPANY INFORMATION**

Our company was incorporated as private limited Company under the name “DMR Hydroengineering & Infrastructures Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 15, 2009 issued Deputy Registrar of Companies, National Capital Territory of Delhi & Haryana. Subsequently, our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on January 10, 2019 and consequently, the name of our Company was changed to DMR Hydroengineering & Infrastructures Limited and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Delhi on January 22, 2019. The Corporate Identification Number of our Company is U74900HR2009PLC039823. Subhash Chander Mittal and Neelam Mittal were the initial subscribers to the Memorandum of Association of our Company. Our company has incorporated a new wholly owned subsidiary company i.e. DMR Consulting Inc. w.e.f. August 05, 2022

#### **Principals of Consolidation**

- The financial statements of the Holding Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equities, incomes and cashflows, after fully eliminating intragroup balances and intra – group transactions.
- Profits & losses resulting from intra group transaction that are recognized in assets, such as inventory and property, plant and equipments are eliminated in full.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- The carrying amount of parent’s investments in subsidiary is offset against the parent’s portion of equity in subsidiary.
- Since both are wholly owned subsidiary so that there are minorities or non-controlling interest.

### **B. SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Accounting Convention**

The financial statement are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

#### **2. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

#### **3. Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective t on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

#### **4. Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

#### **5. Depreciation**

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition /deletion as the case may be.

#### **6. Investments**

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

#### **7. Inventories**

Since we are in the business of providing services, so that we don't have any inventory.

#### **8. Revenue Recognition**

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interst income is recognized on time proportion basis, when it is accrued and due for payment.

#### **9. Borrowing Cost**

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## 10. Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

## 11. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

## Foreign Currency Translation

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate..
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

## 12. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

## C. NOTES ON ACCOUNTS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

### 2. Post Employment Benefits:

Company has valued its obligation related to Employment Benefits as per AS-15 as provided below:

<b>I. ASSUMPTIONS</b>	<b>For the Year Ended on March 31, 2023</b>
Discount Rate	7.50%
Expected Rate of Salary Increase	5.00%
Withdrawal Rate	5.00%
Mortality	IALM 2012-14
Retirement	70 Years
<b>II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS</b>	<b>For the Year Ended on March 31, 2023</b>
Defined Benefit Obligation at beginning of the year	<b>0.00</b>
Current Service Cost	8.48
Interest cost	0.00

Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.00
Benefits Paid	0.00
Defined Benefit Obligation as at end of the year	<b>8.48</b>
<b>III.AMOUNT RECOGNIZED IN THE BALANCE SHEET:</b>	<b>For the Year Ended on March 31, 2023</b>
Net liability as at beginning of the year	<b>0.00</b>
Net expense recognized in the Statement of Profit and Loss	8.48
Benefits Paid	0.00
Net liability as at end of the year	<b>8.48</b>
<b>IV.EXPENSE RECOGNIZED:</b>	<b>For the Year Ended on March 31, 2023</b>
Current Service Cost	8.48
Interest Cost	0.00
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.00
Expense charged to the Statement of Profit and Loss	8.48
<b>V. BALANCE SHEET RECONCILIATION:</b>	<b>For the Year Ended on March 31, 2023</b>
Opening net liability	<b>0.00</b>
Expense as above	8.48
Provision Related to Previous Year booked as Prior Period Items	0.00
Return on Plan Assets	0.00
Benefits Paid	0.00
Net liability/(asset) recognized in the balance sheet	<b>8.48</b>

### 3. Segment Reporting

The Company at present is engaged in the business of providing infrastructure services. In view of above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS -17 are not applicable to the Company.

### 4. Trade Payable Ageing Summary

**31.03.2023**

Particulars	Outstanding for following periods from due date of payment / Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	8.74	-	-	-	8.74
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

### 5. Trade Receivable Ageing Summary

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>31.03.2023</b>						
(i) Undisputed Trade Receivable – considered good	155.62	4.84	-	86.54	-	247.00
(ii) Undisputed Trade Receivable – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable – considered good	-	-	-	-	-	-

(iv) Disputed Trade Receivable – considered doubtful	-	-	-	-	-	-
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## 6. Accounting Ratios

S. No.	Particular	Numerator	March 31, 2023
		Denominator	
(a)	Current Ratio	Current Assets	3.82
		Current Liabilities	
(b)	Debt-Equity Ratio	Debt	0.09
		Equity	
(d)	Return on Equity Ratio	Profit After Tax	14.22%
		Average Shareholders Equity	
(e)	Trade Receivables turnover ratio (in times)	Net Credit Sales	2.06
		Average Trade Receivables	
(f)	Net capital turnover ratio (in times)	Turnover	1.89
		Working Capital	
(g)	Net profit ratio	Profit After Tax	17.24%
		Total Sales	
(h)	Return on Capital employed	Operating Profit	22.00%
		Total Capital Employed	
(i)	Return on investment.	Profit After Tax	15.25%
		Initial Value of Investments	

## 7. Other Disclosure:

Sr. No.	Particulars	Note in financial statements
(i)	Title deeds of Immovable Property not held in the name of the Company:	The Company do not have any Immovable property which is not held in the name of Company.
(ii)	Loans or advances to specified persons	The Company has not provided any Loan or Advances to specified persons.
(iii)	Details of Benami Property held	The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(iv)	Borrowings secured against current assets	The Company has availed facilities from banks on the basis of security of current assets.
(v)	Wilful Defaulter	The Company is not declared Wilful Defaulter by any Bank or any Financial Institution.

(vi)	Relationship with Struck off Companies	The Company do not have any transactions with struck-off companies.
(vii)	Undisclosed income	The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
(x)	Details of Crypto Currency or Virtual Currency	The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.



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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

#### **TO THE MEMBERS OF DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED**

#### **OPINION**

We have audited the accompanying Consolidated Financial Statements of **DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED** ("the Company"), along with its Subsidiary Company i.e. DMR Consulting Inc. which comprise the Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss for the year ended on March 31, 2023, the Consolidated Statement Cash flow statement for the year ended & and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act & other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit/(loss) and its cash flows for the year ended on that date.

#### **BASIS FOR OPINION**

We conducted our audit of the Consolidated Financial Statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provision of the Act, and the Rules made thereunder, 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 opinion on the financial statements.

#### **KEY AUDIT MATTERS**

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

We have determined the matters described below to be the key audit matters to be communicated in our report.





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S.No.	Key Audit Matter
1.	<p><b>Assessment of Trade Receivables:</b></p> <p>The increasing challenges over the economy and operating environment in the IT industry during the year have increased the risks of default on receivables from the company's customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Based on historical default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on March 31, 2023.</p> <p>For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required for the identification of impairment events and the determination of the impairment charge.</p>
	<p><b>Auditor Response to key Audit Matter:</b></p> <p>Principal Audit Procedures:            We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> <li>• Tested the accuracy of aging of trade receivables at year end on a sample basis;</li> <li>• Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers</li> <li>• Tested subsequent settlement of trade receivables after the balance sheet date on sample basis.</li> </ul> <p><b>Conclusion:</b>            We found the key judgement and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p>

## INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON.

The company's board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the, 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.

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



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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.

### **MANAGEMENT’S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

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

In preparing the Consolidated Financial Statements, management is responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors are responsible for overseeing the company’s financial reporting process.

### **AUDITOR’S RESPONSIBILITY FOR THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS**

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 decision of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatements 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.



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- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:



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- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - (ii) The Company has made provision, as at March 31, 2023 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2023.
  - (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



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- (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;
- (v) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

**For A Y & Company**  
**Chartered Accountants**  
**FRN : 020829C**

**Arpit Gupta**  
**Partner**  
**M.NO. : 421544**  
**UDIN : 23421544BGSQAB9661**  
**Place : Faridabad**  
**Date : 29.04.2023**



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### **ANNEXURE “A” TO THE AUDITOR’S REPORT**

#### **Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act , 2013 (‘The Act’)**

We have audited the internal financial control over financial reporting of **DMR Hydroengineering & Infrastructures Limited** (‘the company’) as of 31st March, 2023 in conjunction with our audit of the financial statement of the company for the year ended on that date.

#### **Management 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI 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**



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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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the 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 Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A Y & Company**  
**Chartered Accountants**  
**FRN : 020829C**

**Arpit Gupta**  
**Partner**  
**M.NO. : 421544**  
**UDIN : 23421544BGSQAB9661**  
**Place : Faridabad**  
**Date : 29.04.2023**

## **DMR HYDROENGINEERING AND INFRASTRUCTURES LIMITED**

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Website: [www.dmrengineering.net](http://www.dmrengineering.net), CIN: L74900HR2009PLC039823

### **NOTICE**

**Notice** is hereby given that the 14th Annual General Meeting (“AGM”) of the Members of DMR Hydroengineering and Infrastructures Limited for the financial year ended March 31, 2023 will be held on Friday, September 08, 2023 at 11.30 a.m. IST through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) in accordance with the applicable provisions of the Companies Act, 2013 (“Act”) and rules framed thereunder, and the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Ministry of Corporate Affairs (“MCA”) circulars dated December 28, 2022, May 05, 2022, May 05, 2020, April 17, 2020, and April 08, 2020 respectively (collectively referred to as “MCA Circulars”) and SEBI Circular dated January 05, 2023, May 13, 2022, and May 12, 2020 and other applicable circulars (collectively referred to as “Applicable Circulars”), to transact the following businesses:

#### **ORDINARY BUSINESSES**

- 1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, the Audited Consolidated Financial Statements of the Company for the said financial year, and the Reports of the Board of Directors and Auditors thereon.**

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

**“RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2023 together with the report of Board of Directors and Auditors thereon, be and are hereby considered and adopted.

**RESOLVED FURTHER THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 together with the report of Board of Directors and Auditors thereon, be and are hereby considered and adopted.”

- 2. To declare dividend on equity shares of Rs. 0.11/- per equity share for the financial year ended March 31, 2023.**

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

**“RESOLVED THAT** a final dividend of Rs. 0.11/- per equity share having face value of Rs. 10 each, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2023 and shall be paid to members of the company whose names appear in the register of members as on September 1, 2023, out of the profits of the Company.

- 3. To appoint a director in place of Mr. Bangam Prasad Rao (DIN: 09335571), who retires by rotation and being eligible, offers himself for re-appointment.**



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

“**RESOLVED THAT** Mr. Bangam Prasad Rao (DIN: 09335571) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company liable to retire by rotation.”

## **SPECIAL BUSINESSES**

### **4. Increase in the authorized share capital of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, and other applicable laws, and subject to such other approvals as may be required in this regard, the consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 4,00,00,000 (Rupees Four crore only) divided into 40,00,000 (Forty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 11,00,00,000 (Rupees Eleven Crore only) divided into 1,10,00,000 (One Crore Ten Lakh only) Equity Shares of Rs. 10/- (Rupees Ten only) each ranking *pari passu* in all respects with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, and other applicable laws, and subject to such other approvals as may be required in this regard, the consent of the members of the Company be and is hereby accorded, for alteration of existing Clause V of the Memorandum of Association of the Company by substituting the following in its place:

*“V. The Authorised Capital of the Company is Rs. 11,00,00,000/- (Rupees Eleven Crore only) divided into 1,10,00,000 (One Crore Ten Lakh only) equity shares of Rs. 10/- (Rupees Ten only) each with power to increase/reduce/alter/divide the same in such manner as may be permitted by the Act or as provided by the Articles of Association of the Company.”*

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

### **5. Adoption of a new set of Articles of Association of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with the rules framed there under and other applicable laws (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to the approval of the regulatory authorities, if any, the consent of the members of the Company be and is hereby accorded to adopt a new set of

Articles of Association of the Company in substitution of and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

## **6. Approve the DMR Employee Stock Option Plan 2023**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62 (1) (b) and other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Memorandum of Association and Articles of Association of the Company and any other applicable laws/statutory Guidelines/Circulars in this regard, and subject to approval such other approval(s), consent(s), permission(s), and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), and based on the recommendation of the Nomination and Remuneration Committee, the consent of the members of the Company be and is hereby accorded to approve the DMR Employees Stock Option Plan 2023 (“Plan” or “Scheme”) and to create, grant, offer, issue and allot under the Plan, in one or more tranches, a maximum of 2,00,000 (Two Lakhs only) options, (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) where each option will be convertible into an equity share of the Company having face value Rs. 10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), to or for the benefit of the present and future permanent employees of the Company whether working in India or outside India, in one or more tranches and on such other terms and conditions as may be decided in accordance with the extant regulations or other provisions of the law prevailing at the relevant time.

**RESOLVED FURTHER THAT** the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank *pari passu* in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** Nomination and Remuneration Committee be and is hereby designated as the Compensation Committee pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, for administration and superintendence of the Scheme and is accordingly authorized to devise, evolve, decide upon and bring into effect the Scheme as per the terms approved in this resolution and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate the Scheme, subject to compliance with the SEBI (Share Based Employee Benefits and Sweat

Equity) Regulations, 2021 and other applicable laws, rules and regulations, as may be prevailing at that time;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, Nomination and Remuneration Committee (with power to further delegate such powers to any executives / officers of the Company) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem to be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard including appointment of consultants, Merchant Bankers and other Agencies and Intermediaries and any acts already done by the Nomination and Remuneration Committee in this regard be and is hereby ratified.

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

**7. Approval of a threshold for granting loans/ guarantees, providing of securities and making investments under section 186 of the Companies Act, 2013**

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013, and rules framed there under, and other applicable laws, the Articles of Association of the Company, the consent of the members of the Company be and is hereby given for: i) giving loans to any person or other body corporate; ii) giving of guarantee or providing security in connection with a loan to any other body corporate or person; and iii) acquiring whether by way of subscription, purchase or otherwise, the securities including shares, debentures etc. of any other body corporate upto an amount, the aggregate outstanding of which should not, at any time, exceed Rs. 100 Crore (Rupees One Hundred Crore only) which shall be over and above (i) 60% of its paid up share capital, free reserves and securities premium account, or (ii) 100% of its free reserves and securities premium account, whichever is more.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company is hereby authorized to decide, from time to time, the amounts to be invested, loans / guarantees to be given and securities to be provided to any person and / or bodies corporate within the above mentioned limits, finalize terms and conditions, execute necessary documents, delegate all or any of these powers to any Sub-Committee/ Director(s) / Officer(s) of the Company, settle any question, difficulty or doubt that may arise in this regard and do all acts, deeds and things which it considers proper for giving effect to this resolution.”

**8. Increase the remuneration of Mr. Subhash Chander Mittal, Chairman and Managing Director of the Company**

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

“**RESOLVED THAT** in furtherance to the resolution passed in the 11<sup>th</sup> Annual General Meeting of the members of the Company held on December 31, 2020, and pursuant to the

provisions of section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable laws (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the members of the Company, be and is hereby accorded for increase in the basic salary of Mr. Subhash Chander Mittal (DIN: 02861072) Chairman and Managing Director of the Company from Rs. 50,000/- per month to Rs. 1,00,000/- per month with effect from May 01, 2023, whereas all other terms and conditions relating to the current tenure of Mr. Subhash Chander Mittal shall remain unchanged.

**RESOLVED FURTHER THAT** where in any financial year during the currency of her tenure, the Company has no profits or its profits are inadequate, the aforesaid remuneration shall be paid to Mr. Subhash Chander Mittal, Managing Director as the minimum remuneration.

**RESOLVED FURTHER THAT** The aforesaid increase in the remuneration may be treated as the variation in the written memorandum approved in the 13<sup>th</sup> AGM of the Company, setting out the appointment of Mr. Mittal under Section 190 of the Act.

**RESOLVED FURTHER THAT** Any Director, the Chief Financial Officer, and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

#### **9. Increase the remuneration of Ms. Neelam Mittal, Whole-time Director of the Company**

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

“**RESOLVED THAT** in furtherance to the special resolution passed in the 13<sup>th</sup> Annual General Meeting of the members of the Company held on September 27, 2022, and pursuant to the provisions of section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable laws (including any statutory modification(s) and enactment(s) thereof, for the time being in force), the consent of the members of the Company, be and is hereby accorded for increase in the basic salary of Ms. Neelam Mittal (DIN: 02861064) Whole-time Director of the Company from Rs. 50,000/- per month to Rs. 1,00,000/- per month with effect from May 01, 2023, whereas all other terms and conditions relating to the current tenure of Ms. Neelam Mittal shall remain unchanged.

**RESOLVED FURTHER THAT** where in any financial year during the currency of her tenure, the Company has no profits or its profits are inadequate, the aforesaid remuneration shall be paid to Ms. Neelam Mittal, Whole-time Director as the minimum remuneration.

**RESOLVED FURTHER THAT** The aforesaid increase in the remuneration may be treated as the variation in the written memorandum approved in the 13<sup>th</sup> AGM of the Company, setting out the appointment of Ms. Mittal under Section 190 of the Act.

**RESOLVED FURTHER THAT** any director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

**10. Appointment of Ms. Anita Goyal (DIN: 10249700) as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“Act”) and the rules framed thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) and other applicable laws, if any, based on the recommendation of the Nomination and Remuneration Committee, the approval of Members of the Company be and is hereby accorded for the appointment of Ms. Anita Goyal (DIN: 10249700) who was appointed as an additional director in the capacity of Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from July 25, 2023 till July 24, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to modify the terms and conditions of appointment of Ms. Anita Goyal (DIN: 10249700) as may be recommended by the Nomination and Remuneration Committee of the Company, from time to time, subject to such approvals as may be required under the applicable provisions of the Act and SEBI Listing Regulations.

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

**11. Appointment of Mr. Shyam Lal Kapil, (DIN: 10249705) as a Whole-time Director of the Company**

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

“**RESOLVED** that pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) and other applicable laws, if any, based on the recommendation of Nomination and Remuneration Committee, and Board of Directors, the consent of the members be and is hereby accorded for the appointment of Mr. Shyam Lal Kapil (DIN: 10249705) as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 years, with effect from July 25, 2023 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors to alter and vary the terms

and conditions of the said re-appointment /remuneration as it may deem fit subject to such approvals as may be required under the applicable provisions of the Act and SEBI Listing Regulations.

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the aforesaid remuneration shall be paid to Mr. Shyam Lal Kapil, Whole-time Director as the minimum remuneration.

**RESOLVED FURTHER THAT** Mr. Shyam Lal Kapil, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

## **12. Appointment of Mr. Krishan Kumar Gupta (DIN: 10249694) as a Whole-time Director of the Company**

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

“**RESOLVED** that pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) and other applicable laws, if any, based on the recommendation of Nomination and Remuneration Committee, and Board of Directors, the consent of the members be and is hereby accorded for the appointment of Mr. Krishan Kumar Gupta (DIN: 10249694) as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 years, with effect from July 25, 2023 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment /remuneration as it may deem fit subject to such approvals as may be required under the applicable provisions of the Act and SEBI Listing Regulations.

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the aforesaid remuneration shall be paid to Mr. Krishan Kumar Gupta, Whole-time Director as the minimum remuneration.

**RESOLVED FURTHER THAT** Mr. Krishan Kumar Gupta, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such

steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

### **13. Issue and offer of equity shares by way of preferential allotment on a private placement basis**

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

**“RESOLVED THAT** pursuant to Sections 23(1)(b), 62(1)(c), read with section 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed there under and in accordance with the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“SEBI ICDR Regulations”), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] the listing agreement entered into by the Company with the BSE Limited (“Stock Exchange”) and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued there under from time to time by the Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and/ or any other competent authorities, (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time, to the extent applicable and subject to such approval(s), consent(s), permission(s) and/or sanction(s), if any, of any statutory / regulatory authorities, Stock Exchange, SEBI, other institutions, or bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s) and which may be agreed to by the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to offer, issue and allot up to **1,20,000 (One Lakh Twenty Thousand) equity shares having face value of Rs. 10/- (Rupees Ten) each fully paid-up (“Equity Shares”) for cash consideration at a price of Rs. 70.18/- (Rupees Seventy and Paise Eighteen only) per equity share including a premium of Rs. 60.18 (Rupees Sixty and Paise Eighteen only) per equity share aggregating up to Rs. 84,21,600/- (Rupees Eighty-Four Lakhs Twenty One Thousand Six Hundred only) by way of a preferential issue on a private placement basis (‘Preferential issue’) to the following persons:**

<b>Sr. No.</b>	<b>Name of proposed allottees</b>	<b>Category</b>	<b>Maximum No. of equity shares to be issued</b>
1.	Mr. Subhash Chander Mittal	Promoter	6,000
2.	Ms. Neelam Mittal	Promoter	6,000
3.	Mr. Divay Mittal	Member of Promoter Group	6,000
4.	Ms. Deepika Mittal	Member of Promoter Group	6,000
5.	Mr. Bangam Prasad Rao	Non-promoter	6,000
6.	Mr. Surajit Dutta	Non-promoter	6,000
7.	Ms. Rachana Agrawal	Non-promoter	6,000
8.	Mr. Akhilesh Kumar	Non-promoter	6,000
9.	Mr. Krishan Kumar Gupta	Non-promoter	12,000

Sr. No.	Name of proposed allottees	Category	Maximum No. of equity shares to be issued
10.	Mr. Sham Lal Kapil	Non-promoter	12,000
11.	Mr. Naveen Kumar Jain	Non-promoter	12,000
12.	Mr. Budankailabadri Narayan Subudhi	Non-promoter	12,000
13.	Mr. Bharat Bhushan Nagpal	Non-promoter	6,000
14.	Mr. Janesh Sahni	Non-promoter	12,000
15.	Mr. Dahyalal Bansilal Prajapati	Non-promoter	6,000
	<b>Total</b>		<b>120,000</b>

**RESOLVED FURTHER THAT** in accordance with SEBI ICDR Regulations, the Relevant Date for determination of the issue price of Equity Shares, is August 09, 2023 being the date 30 (Thirty) days prior to the date of the Annual General meeting of members of the Company which is scheduled to be held to consider the Preferential Issue of equity shares.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above Resolution, the issue of the Equity Shares to the Investors under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- i. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchange subject to receipt of necessary regulatory permissions and approvals;
- ii. The Equity Shares to be issued and allotted shall be fully paid up and rank *pari passu* with the existing Equity Shares of the Company in all respects, from the date of allotment thereof, and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and the applicable laws;
- iii. The Equity Shares to be allotted shall be locked in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations;
- iv. The Investors shall be required to bring in the entire consideration for the Equity Shares to be allotted to such Investors, on or before the date of allotment thereof;
- v. The consideration for allotment of Equity Shares shall be paid to the Company from the respective bank accounts of the Investors;
- vi. The Equity Shares shall be allotted within a maximum period of 15 (fifteen) days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from Applicable Regulatory Authorities, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions;



- vii. The pre-preferential allotment holding of the Proposed Allottee and Equity Shares to be allotted shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations; and
- viii. The Equity Shares shall be allotted by the Company to the Proposed Allottee in dematerialized form within the time prescribed under the applicable laws.

**RESOLVED FURTHER THAT** the draft private placement offer cum application letter to be sent to the above mentioned proposed allottees in Form PAS-4 as placed before the meeting and initialled by the Chairman for the purposes of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board members be and is hereby severally and/or jointly authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchange as appropriate and utilisation of proceeds of the Preferential Issue, open one or more bank accounts in the name of the Company or otherwise, as may be necessary or expedient in connection with the Preferential Issue, apply to Stock Exchange for obtaining of in-principle and listing approval of the Equity Shares and other activities as may be necessary for obtaining listing and trading approvals, file necessary forms with the appropriate authority or expedient in this regard and undertake all such actions and compliances as may be necessary, desirable or expedient for the purpose of giving effect to this resolution, in accordance with applicable law including the SEBI ICDR Regulations and the SEBI Listing Regulations and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any committee of the Board or any one or more Director(s)/ Company.

**RESOLVED FURTHER THAT** all actions taken by the Board, or committee, if any, duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

**RESOLVED FURTHER THAT** Mr. Subhash Chander Mittal (DIN: 02861072), Chairman and Managing Director, the Chief Financial Officer and the Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

#### **14. Approval for sale of undertaking of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), and regulation 37A and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and such other approvals, consents and permissions to be obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee thereof, which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to sell/transfer/dispose of the property of the Company situated at Flat No. B4-0105, First Floor, Tower B-4, La Vida, Sector 112-113, Village Bajghera, Tehsil & District Gurgaon, Haryana together with all other tangible assets in relation to the property (“Undertaking”), in the manner as the Board may deem fit, in the interest of the Company, at a fair value which shall not be lower than the 1.05 times of the book value of the Undertaking being sold/disposed of.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, arranging delivery and execution of contracts, deeds, agreements and instruments.”

**Place: Faridabad**  
**Date: August 12, 2023**

**Registered Office**  
473, Sector-30, Faridabad,  
Haryana, India 121003

**By order of the Board**  
**For DMR Hydroengineering and Infrastructures Limited**

**Sd/-**  
**Ravinder Kumar Bhatia**  
**Company Secretary and Compliance Officer**  
**M. No. A68152**

## NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its Circulars dated December 28, 2022, May 05, 2022, May 05, 2020, April 17, 2020, and April 08, 2020 respectively (collectively referred to as “MCA Circulars”) and SEBI has vide its Circulars dated January 05, 2023, May 13, 2022, and May 12, 2020 (collectively referred to as “SEBI Circulars”) and other applicable circulars (Collectively referred to as (“Circulars”) permitted holding of the Annual General Meeting (“the Meeting/AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members, Directors, Auditors or other eligible persons at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act, 2013”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and aforesaid MCA and SEBI Circulars, the AGM of the Company will be conducted through VC/OAVM.
2. The Explanatory Statement pursuant to Section 102 of the Act, 2013, with respect to the Special Businesses are annexed hereto. Additional Information, pursuant to Para 1.2.5 of SS-2 (“Secretarial Standard on General Meetings”), Schedule V of the Act, 2013 and Regulation 36(3) of the SEBI Listing Regulations in respect of appointment/re-appointment of directors are annexed hereto.
3. In accordance with the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and in view of the aforesaid MCA and SEBI Circulars, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically during the AGM in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM (“remote e-voting”) is also provided by NSDL.
4. Company is providing two way teleconferencing facility for the ease of participation of the members. The instructions for members attending/participating in the AGM through VC/OAVM are provided at notes 24 to 27.
5. The facility for joining the AGM through VC/OAVM shall be open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2022-23 and Notice of the 14<sup>th</sup> AGM of the Company, *inter alia*, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose email IDs are registered with the Company’s Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of annual report and notice of AGM has been dispensed with. Members may note that the Notice and Annual Report will also be available on the Company’s website [www.dmengineering.net](http://www.dmengineering.net), website of the Stock Exchange i.e., BSE Limited at [www.bsesme.com](http://www.bsesme.com)

In compliance with the MCA and SEBI Circulars, the Company has also published a public notice by way of an advertisement made dated August 10, 2023 in Financial Express, English version and Jansatta, Hindi version, both having a wide circulation in the district of the registered office of the Company, along with their electronic editions, inter alia, advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.

7. Pursuant to the provisions the Act, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. Since the 14th AGM is being held pursuant to the Circulars, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, in line with the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the 14<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
8. Institutional/Corporate Members intending to attend the Meeting are required to send a scan of certified copy of the Board Resolution (JPG/PDF format), pursuant to Section 113 of the Act, 2013, authorizing their representative to attend the Meeting through VC/OAVM on its behalf and vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [sehgal@bsaadvisory.in](mailto:sehgal@bsaadvisory.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
9. Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of Meeting for the purpose of recording of the minutes of the proceedings of this AGM.
10. The final dividend for the Financial year ended 31<sup>st</sup> March, 2023, as recommended by the Board, if approved at the AGM will be credited/dispatched within 30 days to those Members whose name shall appear on the Register of Members of the Company at the close of working hours on September 1, 2023. In respect of shares held in electronic form, the dividend will be paid to Members whose names are furnished by NSDL and Central Depository Services (India) Limited (“CDSL”) as beneficial owner as on that date.
11. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular 20/2020 dated May 05, 2020, companies are directed to credit the dividend of the members directly to the bank accounts of the members using Electronic Clearing Service.

Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with their Depository Participants (DPs) in case shares are held in electronic form or with the Registrar & Share Transfer Agent of the Company (R&T Agent) in case of the

shares are held in physical form. In case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member vide dispatch of dividend warrant/ cheque, as the case may be.

12. Members having any queries related to accounts and operations or any other matter to be placed at the AGM of the Company, may write to the Company through an email on [cs@dmrengineering.net](mailto:cs@dmrengineering.net), at least seven working days in advance of the Meeting. The same will be replied by the Company suitably.

Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), Skyline Financial Services Private Limited D-153/A, 1st floor, Phase I, Okhla Industrial Area, New Delhi, 110020, Email: [info@skylinerta.com](mailto:info@skylinerta.com), Tel.: 011-26812682, 40450193 to 97 Website: [www.skylinerta.com](http://www.skylinerta.com)) for reply to their queries/redressal of complaints, if any, or contact Mr. Ravinder Kumar Bhatia, Company Secretary & Compliance Officer at the Registered Office of the Company (Phone No.: Tel: +91 129 4360445; Email: [cs@dmrengineering.net](mailto:cs@dmrengineering.net)).

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. Skyline Financial Services Private Limited in case shares are held in physical form.
14. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's RTA i.e. Skyline Financial Services Private Limited. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to Skyline Financial Services Private Limited in case the shares are held in physical form.
15. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA i.e. Skyline Financial Services Private Limited for consolidation into single folio.
16. As per Regulation 40 of the SEBI Listing Regulations, as amended, the securities of the listed company cannot be transferred in physical mode w.e.f. April 01, 2019, except in case of request received for transposition or transmission of securities. In view of this, Members holding shares in physical form are requested to get their shares dematerialized at the earliest. Members can contact the Company or the Company's RTA i.e. Skyline Financial Services Private Limited for assistance in this regard.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. Skyline Financial Services Private Limited.

18. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. Skyline Financial Services Private Limited in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
19. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
21. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this 14<sup>th</sup> AGM along with requisite documents and the Annual Report for the financial year 2022-23 shall also be available on the Company's website [www.dmengineering.net](http://www.dmengineering.net). Members seeking to inspect such documents can send an email to [cs@dmengineering.net](mailto:cs@dmengineering.net).
22. The remote e-voting facility will be available during the following voting period:
- i. Commencement of remote e-voting: From 10.00 a.m. IST of Tuesday, September 05, 2023.
  - ii. End of remote e-voting: Up to 5.00 p.m. IST of Thursday, September 07, 2023.
23. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 01, 2022 may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility will be blocked forthwith.
24. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

**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"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 &amp; 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<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 &amp; 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.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting 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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically 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 [sehgal@bsaadvisory.in](mailto:sehgal@bsaadvisory.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). 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](http://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](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Snehal Bhambe, Assistant Manager, at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of 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 [info@skylinerta.com](mailto:info@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 [info@skylinerta.com](mailto:info@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.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. **In terms of SEBI circular dated 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.**

**25. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

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

**26. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” 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 [cs@dmrengineering.net](mailto:cs@dmrengineering.net). The same will be replied by the company suitably.

- 27. Instructions for Shareholders/ Members to Speak during the Annual General Meeting:**
- i. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company on the [dmr@dmrengineering.net](mailto:dmr@dmrengineering.net).
  - ii. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
  - iii. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
  - iv. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
  - v. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
  - vi. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
28. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2021 and the Company is required to deduct tax at source (“TDS”) from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (“the IT Act”). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company’s email address at [cs@dmrengineering.net](mailto:cs@dmrengineering.net).
29. The voting rights of Members shall be in proportion to their shares of the total paid up equity share capital of the Company as on the cut-off date.
30. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
31. Any person, who acquires shares of the Company and becomes Member of the Company after sending the Notice of the Meeting and holding shares as of the cut-off date i.e. September 01, 2023 needs to refer the instruction above regarding login ID and password and may contact the Company or RTA for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
32. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again or change it subsequently.
33. Only those Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.

34. Non-Resident Indian Members are requested to inform RTA, immediately on change in their residential status on return to India for permanent settlement, and update on particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.
35. The Board of Directors of the Company has appointed Mr. Bunny Sehgal, Practicing Company Secretary (M. No. F11407 and CP No. 15161), Proprietor of M/s. B. Sehgal and Associates, as the Scrutinizer to scrutinize the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
36. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by use e-voting facility for all those Members who are present at the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility.
37. The Scrutinizer shall after the conclusion of voting at the Meeting, will unblock the votes cast through remote e-voting and shall make and submit, within 2 working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within 2 working days of conclusion of the AGM.
38. The Notice of the AGM shall be placed on the website of the Company and NSDL till the date of AGM. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.dmrengineering.net](http://www.dmrengineering.net) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office.

**Place: Faridabad**  
**Date: August 12, 2023**

**Registered Office**  
473, Sector-30, Faridabad,  
Haryana, India 121003

**By order of the Board**  
**For DMR Hydroengineering and Infrastructures Limited**

Sd/-  
**Ravinder Kumar Bhatia**  
**Company Secretary and Compliance Officer**  
**M. No. A68152**

## **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS AND OTHER APPLICABLE LAW**

### **Resolution at Item No. 4**

Considering the overall business growth, future expansion and the operational needs, the Company needs to raise funds for its operations by various means. Further, raising of funds by way of issuance of equity shares requires the sufficient Authorised Share Capital of the Company. Therefore, it is proposed to increase the Authorised Share Capital of the Company.

The Board of Directors at its meeting held on Saturday, February 04, 2023, subject to the approval of the members of the Company, considered, approved and recommended to increase in the Authorised Share Capital of the Company from existing Rs. 4,00,00,000/- (Rupees Four crore only) divided into 40,00,000 (Forty Lakhs only) Equity Shares of Rs.10/- (Rupees Ten) each to Rs. 11,00,00,000/- (Rupees Eleven Crore only) divided into 1,10,00,000 (One Crore Ten Lakh only) Equity Shares of Rs. 10/- (Rupees Ten) each ranking *pari passu* in all respects with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

Consequently, the existing clause V of the Memorandum of Association of the Company also needs to be altered for increase in the Authorised Share Capital of the Company.

Pursuant to the provisions of Section 13, and 61 of the Companies Act, 2013, any amendment in Memorandum of Association pursuant to alteration of share capital requires the approval of the members of the Company by way of an ordinary resolution.

The Board recommends the resolution for the approval of Members by way of Ordinary Resolution.

Copy of the existing Memorandum of Association and the Memorandum of Association with proposed alterations, will be made available for inspection at the registered office of the Company on any working day except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the AGM. The aforesaid documents will also be available for inspection electronically as the same would be uploaded on the website of the Company at <https://dmrengineering.net/>

None of its Directors, Key Managerial Personnel and relatives thereof are concerned or interested, financially or otherwise, in the aforesaid resolution.

### **Resolution at Item No. 5**

In order to complement the future growth prospects and the vision of the management, it is imperative for the Company to re-align its regulations contained in the Articles of Association of the Company. Therefore, the Company proposes to adopt a new set of Articles of Association in substitution of and to the entire exclusion of the existing Articles of Association of the Company.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, any amendment in Article of Association requires the approval of the members of the Company by way of a special resolution.



The Board of Directors at its meeting held on July 25, 2023, subject to the consent of the members of the Company, considered, approved and recommended to adopt a new set of Articles of Association of the Company in substitution of and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company. The Board recommends the resolution for the approval of Members by way of Special Resolution.

Copy of the existing Articles of Association and the proposed Articles of Association will be made available for inspection at the registered office of the Company on any working day except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the AGM. The aforesaid documents will also be available for inspection electronically as the same would be uploaded on the website of the Company at <https://dmrengineering.net/>

None of its Directors, Key Managerial Personnel and the relatives thereof are concerned or interested, in the aforesaid resolution.

### **Resolution at Item No. 6**

The members are being informed that the Company intends to reward, attract, motivate and retain its employees, existing or future, in or outside India, for their performance and for their contribution to the growth and profitability of the Company.

In this regard, the Board of Directors and Nomination and Remuneration Committee designated as Compensation Committee in accordance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), at their respective meetings held on Saturday, February 04, 2023, subject to the approval of the members of the Company, considered, approved and recommended **DMR Employee Stock Option Plan 2023** (“**Plan**” or “**Scheme**”) for grant/issue of Stock Options to the eligible employees of the Company, existing or future, in or outside India in accordance with the applicable laws.

Pursuant to the provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (“Act”) and the rules framed there under, and in accordance with SEBI SBEB Regulations, approval of the Members of the Company by way of special resolution is required for implementation of the Scheme and for grant of options to the Eligible Employees of the Company.

The following are the various disclosures to be incorporated as required in terms of the Act and SEBI SBEB Regulations.

**i. Brief description of the scheme;**

The Company has instituted the Scheme to grant equity-based incentives to the eligible employees of the Company in order to *inter alia* attract and retain talented employees and reward their performance. The vesting of options would be subject to meeting pre-defined performance parameters.

**ii. Total number of Stock Options to be offered and granted:**

The total number of options to be granted under the Scheme shall not exceed 2,00,000.

**iii. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme**

The eligible employees shall mean such Employees as are shortlisted by the Compensation Committee for Grant of Options under this Scheme. It is hereby clarified that such employee should have been in employment of the Company for at least 1 year prior to Grant of Options.

**iv. Requirements of vesting, period of vesting**

The Vesting conditions in respect of the Options shall be as specified in the Scheme.

**v. maximum period within which the Stock Options shall be vested**

The maximum period within which the options can be vested will be 5 years.

**vi. Exercise price or Pricing Formula**

The Exercise Price of the Options granted shall be as determined by the Committee at a discount compared to the Fair Market Value of the share as on the date of grant of option. Fair Market Value on any date of determination will be the latest available closing price of the equity share on such date on a Recognized Stock Exchange in India.

The exercise Price shall not be lower than the face value per share. The Company while determining the Exercise Price shall confirm to the accounting policies.

**vii. Exercise period and process of exercise**

The Options granted can be exercised within the period specified in the Scheme.

**viii. Appraisal Process for determining the eligibility of employees to the Scheme**

The appraisal process for determining the eligibility would be determined by the Nomination and Remuneration Committee from time to time, based on broad criteria for appraisal and selection parameters such as tenure of association with the Company, Industry Experience performance during the previous years, contribution towards strategic growth, contribution towards team building etc.

**ix. Maximum number of stock options to be issued per employee and in aggregate**

The maximum number of Options that may be granted pursuant to the Scheme shall not exceed 2,00,000. The maximum number of Options that may be granted to an individual Eligible Employee in aggregate under the Scheme, shall be 10,000.

**x. Maximum quantum of benefits to be provided per employee under a scheme**

Apart from grant of options as stated above, no monetary benefits are contemplated under the Plan.

**xi. Whether the scheme is to be implemented and administered directly by the company or**

**through a trust**

The Scheme shall be implemented directly by the Company.

**xii. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both**

The Scheme involves new issuance of the shares by the Company.

**xiii. The amount of loan to be provided for implementation of the scheme by the company to the trust, its tenure, utilization, repayment terms**

Not applicable since the Scheme shall be implemented directly by the Company.

**xiv. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme**

Not Applicable since the Scheme shall be implemented directly by the Company.

**xv. Compliance with Accounting Policies**

The Company shall comply with the accounting policies prescribed by the SEBI SBEB Regulations and other applicable laws.

**xvi. Method of valuation**

The Exercise Price of the vested Options shall be determined at a discount on the Fair Market Value of the share as on the Grant Date of the Options and shall be stated in the grant letter.

Fair Market Value on any date of determination will be the latest available closing price of the equity share on such date on a Recognized Stock Exchange in India.

**xvii. Statement of confirmation in case the company opts for expensing of share based employee benefits using the intrinsic value**

Not applicable

**xviii. The Lock-in period, if any;**

The Shares allotted pursuant to the Exercise of the Vested Options shall not be subject to any lock-in period.

**xix. Terms & conditions for buyback, if any, of specified securities covered under these regulations.**

The Company is not envisaging any buyback of the equity shares issued under SEBI SBEB Regulations.

The Board of Directors of the Company believes that the proposed Issue is in the best interest of the Company and its employees. Therefore, the Board recommends the Resolution for the approval of the members by way of special resolution.

Copy of the draft Scheme will be made available for inspection at the registered office of the Company on any working day except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the AGM. The same will also be available for inspection electronically as the same would be uploaded on the website of the Company at <https://dmengineering.net/>

None of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise, in the aforesaid resolution.

### **Resolution at Item No. 7**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required, in accordance with the business needs of the Company.

Members may note that pursuant to Section 186 of the Companies Act, 2013 (“Act”), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by special resolution passed at the general meeting.

The Board of Directors at its meeting held on Saturday, February 04, 2023, subject to the approval of the members of the Company, considered, approved and recommended the increasing in limit upto Rs. 100 Crores, which is in excess of the limits as specified in section 186 of the Companies Act, 2013.

The Board recommends the Resolution for approval by the members of the Company as Special Resolution.

None of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise, in the aforesaid resolution.

### **Resolution at Item No. 8**

Mr. Subhash Chander Mittal, aged around 61 years is Promoter as well as Chairman and Managing Director of the Company. He has been on the Board of the Company since incorporation.

The members at the 11th Annual General Meeting held on December 31, 2020 (“11<sup>th</sup> AGM”) had approved the appointment of Mr. Subhash Chander Mittal as the Managing Director for a period of 5 years at a monthly basic salary of Rs. 50,000/- plus perquisites w.e.f December 21, 2020.

Mr. Mittal holds degree in Bachelor of Science in Civil Engineering from Regional Engineering College of Kurukshetra University, Haryana. He has contributed immensely in the engineering of large infrastructure projects and looks after the overall business operations of the Company including technical operations, strategy and marketing plans of our Company.

Keeping in view of his vast experience and Knowledge and his increased responsibilities, the Board of Directors of the Company at its meeting held on April 29, 2023, pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee considered and approved, subject to the approval of the Members for increase the Basic salary of Mr. Mittal from Rs. 50,000/- per month to Rs. 1,00,000/- per month w.e.f May 01, 2023. All other terms, conditions and remuneration of the appointment of Mr. Mittal remain unchanged.

The revised remuneration of Mr. Mittal pursuant to the proposed resolution is as follows:

The aforesaid increase in remuneration may be treated as the variation in the written memorandum approved in the 11<sup>th</sup> AGM of the Company, setting out the appointment of Mr. Mittal under Section 190 of the Act.

As a matter of abundant precaution with regard to inadequacy of profits in the financial year 2023-24, and pursuant to the provisions of section 197 read with Schedule V and other applicable provisions, of the Companies Act, 2013, the matter has been placed before the shareholders by way of special resolution for their approval and the necessary disclosures as required in Schedule V have been enclosed with the explanatory statement.

The Board recommends the resolution for the approval of Members by way of Special Resolution.

Save and except Ms. Neelam Mittal, Mr. Subhash Chander Mittal, Managing Director, and their relatives, none of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

### **Resolution at Item No. 9**

Ms. Neelam Mittal, aged around 62 years is Promoter and Whole-time Director of the Company. She has been on the Board of the Company since incorporation.

The members, at the 13th Annual General Meeting held on September 27, 2022 (“13<sup>th</sup> AGM”) had approved the re-appointment of Ms. Neelam Mittal as a Whole-time Director for a period of 3 years by way of special resolution w.e.f. October 1, 2022 at a monthly remuneration of Rs. 50,000/- plus perquisites.

Ms. Mittal holds degree in Department of Economics, Master of Arts from Kurukshetra University in the year 1982. She leads and monitors the human resource department of the Company.

Keeping in view of her vast experience and exposure in human resource department, the Board of Directors of the Company at its meeting held on April 29, 2023, pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee considered and approved, subject to the approval of the Members for increase in the

remuneration of Ms. Neelam Mittal Whole-time Director of the Company from Rs. 50,000/- per month to Rs. 1,00,000/- per month w.e.f May 01, 2023. All other terms, conditions and remuneration of the appointment of Ms. Mittal remain unchanged.

The aforesaid increase in remuneration may be treated as the variation in the written memorandum approved in the 13<sup>th</sup> AGM of the Company, setting out the appointment of Ms. Mittal under Section 190 of the Act.

As a matter of abundant precaution with regard to inadequacy of profits in the financial year 2023-24, and pursuant to the provisions of section 197 read with Schedule V and other applicable provisions, of the Companies Act, 2013, the matter has been placed before the shareholders by way of special resolution for their approval and the necessary disclosures as required in Schedule V have been enclosed with the explanatory statement.

The Board recommends the resolution for the approval of Members by way of Special Resolution.

Save and except Ms. Neelam Mittal, Mr. Subhash Chander Mittal, Managing Director, and their relatives, none of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

#### **Resolution at Item No. 10**

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on July 25, 2023, recommended the appointment of Ms. Anita Goyal (DIN: 10249700) as an additional director in the capacity of Independent Director, and subsequently, as an Independent Director, not liable to retire by rotation, for a term of five consecutive years with effect from July 25, 2023.

Ms. Anita Goyal is presently a Fulltime Professor of Marketing at the Indian Institute of Management Lucknow, India. Anita holds degrees of Bachelor of Science, Master in Business Administration in Marketing Management, and Doctor of Philosophy in Marketing. In view of the Board, her induction to the Board not only will strengthen the Corporate Governance but also be of immense benefits to the Company.

Ms. Goyal has given his consent to act as a Director in terms of Section 152 of the Companies, Act, 2013 (“Act”). Further, the Company had received in writing a notice in terms of Section 160 of the Act, from a member, signifying her candidature as a Director. Ms. Goyal has also given a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) and (7) of the Act, read with Rules framed thereunder. The Company had also received a declaration to the effect that Ms. Goyal is not disqualified from being appointed as a Director in terms of Section 164 of the Act, 2013 and she is not debarred from holding the office of Director by virtue of SEBI Order or any other authority, pursuant to BSE circular dated June 20, 2018.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and qualifications) Rules, 2014. Ms. Goyal has registered herself in the databank of Independent directors.

Further, the Board of Directors of the Company is of the opinion that Ms. Goyal possesses appropriate skills, experience, knowledge and capabilities to be appointed as Independent Director of the Company for the aforesaid term and she is independent of the management of the Company.

Ms. Goyal will be entitled to a remuneration by way of sitting fees in line with the sitting fees payable to other Independent Directors and Non-executive Directors of the Company as approved by the Board of Directors.

A draft letter of appointment of Ms. Goyal as an Independent Director setting out the terms and conditions of her appointment and notice under section 160 will also be available for inspection electronically as the same would be uploaded on the website of the Company at <https://dmrengineering.net/>. The aforesaid documents shall also be made available for physical inspection on all working days, except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting at the Registered Office of the company.

The Board recommends the resolution for the approval of Members by way of an Ordinary Resolution.

The brief profile of Ms. Goyal is given herein below and other relevant details as required pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, are provided in Annexure to the Notice.

Save and except Ms. Anita Goyal and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

### **Resolution at Item No. 11**

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings dated July 25, 2023 recommended/appointed Mr. Shyam Lal Kapil (DIN: 10249705) as additional director in whole-time capacity, and Whole-time Director of the Company, liable to retire by rotation, for a period of 3 years, with effect from July 25, 2023 subject to the approval of shareholders.

Mr. Kapil holds the degree in M. Tech from IIT Roorkee and PGDM in finance from IMT - CDL. He is a seasoned professional in the field of Geophysics and Hydro Power. He has recently retired from the post of Executive Director Engineers of NHPC Limited, a listed public sector company. In view of the Board, his induction to the Board not only will strengthen the Corporate Governance in the Company but also be of immense benefits to the Company.

Mr. Kapil had given his consent to act as a Director in terms of Section 152 of the Act, 2013. Further, the Company had, in terms of Section 160 of the Act, 2013, received a notice in writing from a member, signifying his candidature as a Director. The Company had also received a declaration to the effect that Mr. Kapil is not disqualified from being appointed as a Director in terms of Section 164 of the Act, 2013 and he is not debarred from holding the office of Director by virtue of SEBI Order or any other authority, pursuant to BSE circular dated June 20, 2018.

Further, the Board of Directors of the Company is of the opinion that Mr. Kapil is a person of integrity and has relevant experience and expertise.

The terms and conditions of the appointment and remuneration of Mr. Shyam Lal Kapil are as follows:

**Period:** For 3 years w.e.f July 25, 2023.

**Remuneration:**

1. Mr. Kapil will get a consolidated remuneration of Rs. 1,00,000 (Rupees One Lakh only) per month inclusive of all the perquisites, benefits, and allowances as applicable to the permanent employees of the Company;
2. Mr. Kapil will get the reimbursement of out of pocket expenses incurred by him on behalf of the Company;
3. Where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the aforesaid remuneration shall be paid to Mr. Kapil as the minimum remuneration;
4. Mr. Kapil shall not be entitled to any sitting fees for attending meetings of the Board or Committees thereof;

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Kapil under Section 190 of the Act.

As a matter of abundant precaution with regard to inadequacy of profits in the financial year 2023-24, and pursuant to the provisions of section 197 read with Schedule V and other applicable provisions, of the Companies Act, 2013, the matter has been placed before the shareholders by way of special resolution for their approval and the necessary disclosures as required in Schedule V have been enclosed with the explanatory statement.

The notice under section 160 will also be available for inspection electronically as the same would be uploaded on the website of the Company at <https://dmrengineering.net/> The aforesaid documents shall also be made available for physical inspection on all working days, except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting at the Registered Office of the company.

The Board recommends the resolution for the approval of Members by way of a Special Resolution.

The brief profile of Mr. Kapil and other relevant details as required pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, are provided in Annexure to the Notice.



Save and except Mr. Kapil and his relatives, none of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

### **Resolution at Item No. 12**

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings dated July 25, 2023, recommended/appointed the appointment of Mr. Krishan Kumar Gupta (DIN: 10249694) as additional director in whole-time capacity, and as a Whole-time Director of the Company, liable to retire by rotation, for a period of 3 years, with effect from July 25, 2023 subject to the approval of shareholders.

Mr. Gupta in Bachelor of Engineering in Civil from Thapar Institute of Engineering and Technology, Patiala, Punjab, India. He also holds degree in MBA and LLB. He is a seasoned professional in the field of Hydropower, Construction and Project Management. He has also worked in the Central Water Commission in the Government of India & also with Larsen & Toubro Limited. In view of the Board, his induction to the Board not only will strengthen the Corporate Governance in the Company but also be of immense benefits to the Company.

Mr. Gupta had given his consent to act as a Director in terms of Section 152 of the Act, 2013. Further, the Company had, in terms of Section 160 of the Act, 2013, received in writing a notice from him, signifying his candidature as a Director. The Company had also received a declaration to the effect that Mr. Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act, 2013 and he is not debarred from holding the office of Director by virtue of SEBI Order or any other authority, pursuant to BSE circular dated June 20, 2018.

Further, the Board of Directors of the Company is of the opinion that Mr. Gupta is a person of integrity and has relevant experience and expertise.

The terms and conditions of the appointment and remuneration of Mr. Gupta are as follows:

**Period:** For 3 years w.e.f July 25, 2023.

#### **Remuneration:**

1. Mr. Gupta will get a consolidated remuneration of Rs. 1,00,000 (Rupees One Lakh only) per month inclusive of all the perquisites, benefits, and allowances as applicable to the permanent employees of the Company;
2. Mr. Gupta will get the reimbursement of out of pocket expenses incurred by him on behalf of the Company;
3. Where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the aforesaid remuneration shall be paid to Mr. Gupta as the minimum remuneration;
4. Mr. Gupta shall not be entitled to any sitting fees for attending meetings of the Board or Committees thereof;

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Gupta under Section 190 of the Act.

As a matter of abundant precaution with regard to inadequacy of profits in the financial year 2023-24, and pursuant to the provisions of section 197 read with Schedule V and other applicable provisions, of the Companies Act, 2013, the matter has been placed before the shareholders by way of special resolution for their approval and the necessary disclosures as required in Schedule V have been enclosed with the explanatory statement.

The notice under section 160 will also be available for inspection electronically as the same would be uploaded on the website of the Company at <https://dmrengineering.net/> The aforesaid documents shall also be made available for physical inspection on all working days, except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting at the Registered Office of the company.

The Board recommends the resolution for the approval of Members by way of a Special Resolution.

The brief profile of Mr. Gupta is given herein below and other relevant details as required pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India, are provided in Annexure to the Notice.

Save and except Mr. Gupta and his relatives, none of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

### **Resolution at Item No. 13**

The members are being informed that considering the future growth prospects, the Company requires more working capital, and adequate liquidity in line with growth strategy. Therefore, in order to enhance its long-term resources and thereby strengthening the financial structure, the Company has been exploring various options for raising funds.

Considering the aforesaid, the Board of Directors of the Company in its meeting held on July 25, 2023, subject to the approval of the members of the Company and other regulatory approvals, approved the proposal for raising funds by way of issuance and allotment of upto **1,20,000 (One Lakh Twenty Thousand)** Equity Shares having face value of Rs.10/- (Rupees Ten Only) each on preferential basis. The proceeds from the Offer shall be used for the working capital and general corporate purposes of the Company.

In accordance with section 42, 62(1)(c) and other applicable provisions of the Companies Act, 2013 (‘Act’) read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“SEBI ICDR Regulations”), the approval of the Members of the Company by way of special resolution is required to issue securities by way of private placement on a preferential basis.

The salient features of the issue along with the disclosures required under the aforesaid provisions are given below:

**i. Objects of the Preferential issue**

The Company proposes to raise funds by issue of equity shares through preferential allotment on private placement basis. The funds raised through the proposed issue will be utilized for the purpose of meeting working capital requirements, main adequate liquidity and general corporate purposes.

**ii. Relevant Date**

The Relevant Date as per Regulation 161 of the SEBI ICDR Regulations for the determination of the minimum price for Equity Shares to be issued is fixed as Wednesday, August 09, 2023 i.e., 30 (thirty) days prior to the date of this AGM.

**iii. Basis or justification for the price (including premium, if any) at which the offer or invitation is being made along with report of the registered valuer & Pricing of the preferential issue.**

The Equity Shares of Company are listed on SME Platform of BSE Limited for a period of more than 90 trading days as on the relevant date i.e. Wednesday, August 09, 2023 and are frequently traded in accordance with SEBI ICDR Regulations.

Accordingly, the Price of the Equity Shares to be allotted to the Proposed Allottees of the Company shall not be less than the price determined in accordance with regulation 164 of the SEBI ICDR Regulations.

Regulation 164 of the SEBI ICDR Regulations prescribes the minimum price at which a preferential issue may be made and accordingly, the minimum price of the Equity Shares shall be the higher of:

- a) The 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; and
- b) The 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

As per the pricing formula prescribed under Regulation 164 of the SEBI ICDR Regulations, the minimum price at which the Equity Share can be issued is Rs. 68.77/- (Rupees Sixty Eight and Paise Seventy Seven only) per Equity Share.

The Company proposes to issue the Equity Share at an issue price of Rs. 70.18/- (Rupees Seventy and Paise Eighteen only) per Equity Share which is not less than the minimum price computed in accordance with Regulation 164 of the SEBI ICDR Regulations.

**iv. The Price Band at/within which the allotment is proposed.**

The equity shares under this preferential issue shall be issued at a price of Rs. 70.18/- (Rupees Seventy and Paise Eighteen only) including a premium of Rs. 60.18 (Rupees Sixty and Paise

Eighteen only), being the price higher than the price determined in accordance with the SEBI ICDR Regulations.

**v. Amount which the company intends to raise by way of such Equity Shares:**

The resolution set out in the accompanying notice authorises the Board to raise funds aggregating up to Rs. 84,21,600/- (Rupees Eighty Four Lakhs Twenty One Thousand Six Hundred only)

**vi. The Class or Classes of Persons to whom the allotment is proposed to be made along with the contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities**

The issue is made to the Promoters, directors, members of Promoter Group and to selected persons who are not the existing shareholders of the Company. The details of the same is as follows:

Sr. No.	Name of proposed allottees	Category	Maximum No. of equity shares to be issued
1.	Mr. Subhash Chander Mittal	Promoter	6,000
2.	Ms. Neelam Mittal	Promoter	6,000
3.	Mr. Divay Mittal	Member of Promoter Group	6,000
4.	Ms. Deepika Mittal	Member of Promoter Group	6,000
5.	Mr. Bangam Prasad Rao	Non-promoter	6,000
6.	Mr. Surajit Dutta	Non-promoter	6,000
7.	Ms. Rachana Agrawal	Non-promoter	6,000
8.	Mr. Akhilesh Kumar	Non-promoter	6,000
9.	Mr. Krishan Kumar Gupta	Non-promoter	12,000
10.	Mr. Sham Lal Kapil	Non-promoter	12,000
11.	Mr. Naveen Kumar Jain	Non-promoter	12,000
12.	Mr. Budankailu Badri Narayan Subudhi	Non-promoter	12,000
13.	Mr. Bharat Bhushan Nagpal	Non-promoter	6,000
14.	Mr. Janesh Sahni	Non-promoter	12,000
15.	Mr. Dahyalal Bansilal Prajapati	Non-promoter	6,000
	<b>Total</b>		<b>1,20,000</b>

Further, no asset is proposed to be charged in pursuance of the proposed issue of equity shares.

**vii. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as the price**

The Company has not made any preferential allotment during the financial year 2022-23 and 2023-24.

**viii. Particulars of the offer and maximum number of specified securities to be issued**

The Board of Directors in its meeting held on July 25, 2023 had approved to offer, issue and allot up to 1,20,000 (One Lakh Twenty Thousand) equity shares having face value of Rs. 10/- (Rupees Ten) each fully paid-up (“Equity Shares”) for cash consideration at a price of Rs. 70.18/- (Rupees Seventy and Paise Eighteen only) per equity share including a premium of Rs. 60.18 (Rupees Sixty and Paise Eighteen only) per share aggregating up to Rs. 84,21,600/- (Rupees Eighty-Four Lakhs Twenty-One Thousand Six Hundred only) to Promoters, Members of Promoters Group and to selected persons who are not the existing shareholders of the Company, on a preferential basis.

**ix. Intention of promoters, directors, key managerial personnel or senior management to subscribe to the offer:**

The Promoters, Directors and Key Managerial Personnel also intend to subscribe this offer and the details of the same are mentioned in the resolution and this explanatory statement.

**x. Shareholding Pattern before and after the proposed preferential issue.**

Sr.No.	Category	Pre-Issue Equity		Post Equity Issue	
		No of shares held	% of shareholding	No of shares held	% of shareholding
<b>A</b>	<b>Promoter Holding</b>				
<b>1</b>	<b>Indian</b>				
	Individuals	27,12,000	72.78%	27,36,000	71.14%
	Bodies Corporate	-	-	-	-
	Any Other	-	-	-	-
	<b>Sub Total A 1</b>	<b>27,12,000</b>	<b>72.78%</b>	<b>27,36,000</b>	<b>71.14%</b>
<b>2</b>	<b>Foreign Promoter</b>				
	Individuals/NRI/Foreign	-	-	-	-
	individuals/PAC	-	-	-	-
	Bodies Corporate	-	-	-	-
	<b>Sub Total A 2</b>	<b>27,12,000</b>	<b>72.78%</b>	<b>27,36,000</b>	<b>71.14%</b>
	<b>Total Promoters Group</b>	<b>27,12,000</b>	<b>72.78%</b>	<b>27,36,000</b>	<b>71.14%</b>
	<b>A= A1+A2</b>				
<b>B</b>	<b>Public/Non-Promoters' Shareholding</b>				
<b>1</b>	<b>Institutional Investors</b>				
	Mutual Funds/Banks/FI	-	-	-	-
	FII's/PIS	-	-	-	-
	<b>Sub Total B 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2</b>	<b>Non-Institutions</b>				
	<b>Individual</b>				
	Non-Resident Indian	60,000	1.61	60,000	1.56%

Sr.No.	Category	Pre-Issue Equity		Post Equity Issue	
	Clearing Members	-	-	-	-
	Bodies Corporate	24,000	0.64	24,000	0.62%
	Foreign Nationals	-	-	-	-
	Others (HUF, NBFC and Trusts)	60,000	1.61	60,000	1.56%
	Individual share capital upto Rs. 2 Lacs	7,20,200	19.33	8,16,200	21.22%
	Individual share capital in excess of Rs. 2 Lacs	1,50,000	4.03	1,50,000	3.90%
	<b>Sub Total B 2</b>	<b>10,14,200</b>	<b>27.22%</b>	<b>11,10,200</b>	<b>28.86%</b>
	<b>Total Public Shareholding B1+B2</b>				
	<b>GRAND TOTAL A+B</b>	<b>37,26,200</b>	<b>100.00%</b>	<b>38,46,200</b>	<b>100.00%</b>

**xi. Proposed time within which the allotment shall be completed:**

In accordance with regulation 170 of the SEBI ICDR Regulations, the Company shall complete the allotment of Equity Shares within 15 days from the date of passing of this resolution, provided that in case the allotment is pending on account of pendency of any approval for such allotment by any regulatory authority or the central government, then the allotment shall be completed within 15 days from the date of receipt of the last approval.

**xii. The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them.**

Sr. No.	Name of proposed allottees	Pre-issue Equity Shares	% to Pre Issue Capital	No of equity Shares allotted	Post Issue Shares	% to post issue capital
1	Mr. Subhash Chander Mittal, Promoter	11,02,000	29.57%	6,000	11,08,000	28.81%
2	Ms. Neelam Mittal, Promoter	12,88,000	34.57%	6,000	12,94,000	33.64%
3	Mr. Divay Mittal Member of promoter group	1,61,000	4.32%	6,000	1,67,000	4.34%
4	Ms. Deepika Mittal, Member of promoter group	1,61,000	4.32%	6,000	1,67,000	4.34%
5	Mr. Bangam Prasad Rao, Non-promoter	Nil	NA	6,000	6,000	0.16%

6	Mr. Surajit Dutta Non-promoter	Nil	NA	6,000	6,000	0.16%
7	Ms. Rachana Agrawal, Non- promoter	Nil	NA	6,000	6,000	0.16%
8	Mr. Akhilesh Kumar, Non- promoter	Nil	NA	6,000	6,000	0.16%
9	Mr. Krishan Kumar Gupta, Non-promoter	Nil	NA	12,000	12,000	0.31%
10	Mr. Sham Lal Kapil, Non- promoter	Nil	NA	12,000	12,000	0.31%
11	Mr. Naveen Kumar Jain, Non- promoter	Nil	NA	12,000	12,000	0.31%
12	Mr. Budankailu Badri Narayan Subudhi, Non- promoter	Nil	NA	12,000	12,000	0.31%
13	Mr. Bharat Bhushan Nagpal Non-promoter	Nil	NA	6,000	6,000	0.16%
14	Mr. Janesh Sahni Non-promoter	Nil	NA	12,000	12,000	0.31%
15	Mr. Dahyalal Bansilal Prajapati Non-promoter	Nil	NA	6,000	6,000	0.16%
	<b>Total</b>			<b>1,20,000</b>		

### xiii. Undertaking

In terms of SEBI ICDR Regulations, the Company hereby undertakes that:

- The Company is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations;
- It shall re-compute the price of the Equity Shares issued in terms of the provisions of SEBI ICDR Regulations, where it is required to do so;
- If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the above Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottees;
- Neither the Company, its Directors or Promoters have been declared as willful defaulter or a fugitive economic offender or a fraudulent borrower;

- e. The Proposed Allottees have confirmed that they have not sold or transferred any equity shares of the Company during the 90 Trading Days preceding the Relevant Date.
- f. All the Equity Shares held by the proposed allottees in the Company are in dematerialized form only;

**xiv. Listing**

The Company will make an application to the Stock Exchange at which the existing shares are listed, for listing of the aforementioned Equity Shares. The Equity Shares, once allotted, shall rank *pari passu* with the then existing equity shares of the Company in all respects.

**xv. Lock-in period**

The Shares to be offered issued and allotted shall be subject to Lock-in as provided under the provisions of SEBI ICDR Regulations. Further, the entire pre-preferential allotment shareholding of the above allottees, if any, shall be locked in as provided under the provisions of SEBI ICDR Regulations.

**xvi. Certificate from Practicing Company Secretaries**

A certificate from Dilip Swarnkar & Associates, Practicing Company Secretary certifying that the issue of equity shares on preferential basis is being made in accordance with requirements of Chapter V of the SEBI ICDR Regulations, has been obtained.

The same will be available at <https://dmrengineering.net/> and also be placed before the AGM.

**xvii. Current and proposed status of the Proposed Allottees post the preferential issue viz. promoter or non-promoter**

There will be no change in the status of the proposed allottees post the preferential issue. The details have been given as under for the convenience:

Sr. No.	Name of proposed allottees	Current status of the allottee	Proposed status of the allottee
1.	Mr. Subhash Chander Mittal	Promoter	Promoter
2.	Ms. Neelam Mittal	Promoter	Promoter
3.	Mr. Divay Mittal	Member of Promoter Group	Member of Promoter Group
4.	Ms. Deepika Mittal	Member of Promoter Group	Member of Promoter Group
5.	Mr. Bangam Prasad Rao	Non-shareholder	Non-promoter
6.	Mr. Surajit Dutta	Non-shareholder	Non-promoter
7.	Ms. Rachana Agrawal	Non-shareholder	Non-promoter
8.	Mr. Akhilesh Kumar	Non-shareholder	Non-promoter
9.	Mr. Krishan Kumar Gupta	Non-shareholder	Non-promoter
10.	Mr. Sham Lal Kapil	Non-shareholder	Non-promoter
11.	Mr. Naveen Kumar Jain	Non-shareholder	Non-promoter
12.	Mr. Budankailu Badri Narayan Subudhi	Non-shareholder	Non-promoter



<b>Sr. No.</b>	<b>Name of proposed allottees</b>	<b>Current status of the allottee</b>	<b>Proposed status of the allottee</b>
13.	Mr. Bharat Bhushan Nagpal	Non-shareholder	Non-promoter
14.	Mr. Janesh Sahn	Non-shareholder	Non-promoter
15.	Mr. Dahyalal Bansilal Prajapati	Non-shareholder	Non-promoter

**xviii. Change in control, if any, in the Company consequent to the preferential issue**

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential issue.

However, the percentage of shareholding and voting rights exercised by the shareholders of the Company will minutely change in accordance with the change in the shareholding pattern pursuant to the Preferential Allotment.

**xix. Disclosure pertaining to willful defaulters or a fraudulent borrower**

Neither the Company nor any of its promoters or directors is willful defaulter or a fraudulent borrower.

**xx. Disclosure pertaining to Fugitive Economic Offender:**

None of our Directors or Promoters and proposed allottees are fugitive economic offender as defined under the SEBI ICDR Regulations.

**xxi. Other disclosures**

In accordance with SEBI ICDR Regulations,

- i. The Company has not issued and allotted any equity shares on preferential basis in the financial year.
- ii. The issue of Equity Shares shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Act, and relevant regulations of SEBI ICDR Regulations and shall be made in a dematerialized form only.

In compliance with the provisions of the Act, and SEBI ICDR Regulations, the Special Resolution as set out in the accompanying Notice is being placed before the members for their approval.

The Board recommends the Resolution for the approval of the members.

None of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding, in the proposed resolution.

**Resolution at Item No. 14**

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds to enhance its working capital. For this purpose, the Board of Directors at its meeting held on Saturday, August 12, 2023, have considered and approved the matter related to sell/transfer/dispose of one of the assets of the Company i.e. a property located at Flat No. B4-0105, First Floor, Tower B-4, La Vida, Sector 112-113, Village Bajghera, Tehsil & District Gurgaon, Haryana, subject to the prior approval of the members by way of passing Special Resolution at a fair value which shall not be lower than the 1.05 times of the book value of the Undertaking being sold/disposed of.

The net proceeds from the sale of the Undertaking will be utilized for the enhancement of working capital and general business purpose of the Company. Further, the sale of the said Undertaking will not have any impact on the Company's existing engineering consultancy business.

In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval. The Board recommends the Resolution for approval by the members of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding, in the proposed resolution.

**THE DETAILS OF THE DIRECTORS PURSUANT TO PARA 1.2.5 OF SS-2 (“SECRETARIAL STANDARD ON GENERAL MEETINGS”), REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND OTHER APPLICABLE PROVISIONS, ARE PROVIDED IN THE TABLE BELOW:**

<b>Particulars</b>	<b>Mr. Bangam Prasad Rao</b>	<b>Mr. Subhash Chander Mittal</b>
Father’s Name	Mr. Bangam Laxman Rao	Mr. Ram Dhari
Date of Birth	April 12, 1961	March 10, 1962
Age	62 years	61 years
Date of first Appointment	September 30, 2021	Since incorporation
Brief resume and expertise in specific functional areas	He holds degree in B. Sc (Engineering) Civil from Regional Engineering College Rourkela, India 1984. Prior to working with our Company, he was working with NHPC Limited as General Manager. He has more than 35 years of experience in the field of infrastructure management.	He holds the degree in Bachelor of Science in Civil Engineering from Regional Engineering College of Kurukshetra University, Haryana, India. He has diverse experience of more than 38 years in the field of engineering consulting industry. He has contributed immensely in the engineering of large infrastructure projects in water sector, energy sector and mobility sector. He looks after the overall business operations of the Company including technical operations, strategy and marketing plans of our Company.
Qualification	B. Sc (Civil Engineering)	B. Sc (Civil Engineering)
Terms and conditions of appointment	The appointment was approved by the shareholders of the Company in the 13 <sup>th</sup> AGM of the Company.	As detailed in the respective resolution and explanatory statement of this notice.
Directorship held in other companies including Listed Companies	Nil	i. DM Consulting Engineers Private Limited; ii. M R Foundation iii. DMR Consulting Inc.
Chairman/member of the committee of the Board of Directors of the Company	Nil	In the Company: i. Member of the Nomination and Remuneration Committee ii. Member of the Stakeholder Relationship Committee

Chairman/member of the committee of the Board of Directors of other companies (including listed companies) in which he/she is a director	Nil	Nil
Listed entities from which the person has resigned in the past three years	Nil	Nil
Number of shares held in the Company including shareholding as a beneficial owner	Nil	11,02,000 shares
No. of Board meetings attended during the financial year 2022-23	4	3
Relationship with other Directors, Manager and KMPs of the Company	None	Mr. Subhash Chander Mittal is spouse of Ms. Neelam Mittal, Whole-time Director
Details of remuneration sought to be paid, if any	Mr. Rao will be entitled to a remuneration by way of sitting fees which is in line with the sitting fees payable to other Non-executive/Independent Directors of the Company.	Please refer the explanatory statement.
Remuneration last drawn, if any	Mr. Rao received only sitting fees which is in line with the sitting fees paid to other Non-executive/Independent Directors of the Company.	Rs. 6,00,000 in the financial year 2022-23
Justification for choosing the appointee for appointment	In the opinion of the Board, Mr. Rao possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as Director as specified in the Act and the SEBI Listing Regulations.	In the opinion of the Board, Mr. Mittal possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as the Director as specified in the Act and the SEBI Listing Regulations.

<b>Particulars</b>	<b>Ms. Anita Goyal</b>	<b>Ms. Neelam Mittal</b>
Father's Name	Mr. Surrinder Kumar Goyal	Mr. Rajkumar Arya
Date of Birth	December 26, 1972	February 04, 1961
Age	50 years	62 Years
Date of first Appointment	July 25, 2023	Since incorporation
Brief resume and expertise in specific functional areas	Mrs. Anita Goyal is presently a Full-time Professor of Marketing at the Indian Institute of Management Lucknow, India. She holds degrees of Bachelor of Science, Master in Business Administration in Marketing Management, and Doctor of Philosophy in Marketing. With a span of 28 years in academics, she currently teaches Masters and Doctorate courses, and conducts sessions in short-term academic as well as training programs for industry executives. She co-coordinates a number of management development programs for industry executives and also chairs the academic administrative positions. She has delivered invited lectures in industry and academic institutions in India and abroad [ESCP Europe, France and Institut d'Administration des Entreprises (Institute of Business Administration), Aix-en-Provence, France].	Ms. Mittal holds degree in Department of Economics, Master of Arts from Kurukshetra University in the year 1982. She holds more than a decade experience in the field of engineering industry. She leads and monitors the human resource department of the Company.
Qualification	PH.D, MBA (Marketing) and Bachelor of Science	M.A (Economics)
Terms and conditions of appointment	As detailed in the respective resolution and explanatory statement.	As detailed in the respective resolution and explanatory statement.
Directorship held in other companies including Listed Companies	Nil	i. DM Consulting Engineers Private Limited; ii. M R Foundation
Chairman/member of the committee of the Board of Directors of the Company	Nil	Nil

Chairman/member of the committee of the Board of Directors of other companies (including listed companies) in which he/she is a director	Nil	Nil
Listed entities from which the person has resigned in the past three years	Nil	Nil
Number of shares held in the Company including shareholding as a beneficial owner	Nil	12,88,000 shares
No. of Board meetings attended during the financial year 2022-23	Nil	4
Relationship with other Directors, Manager and KMPs of the Company	None	Ms. Neelam Mittal is wife of Mr. Subhash Chander Mittal, Chairman and Managing Director
Details of remuneration sought to be paid, if any	Ms. Goyal will be entitled to a remuneration by way of sitting fees in line with the sitting fees payable to other Independent Directors of the Company as approved by the Board of Directors.	Please refer the explanatory statement.
Remuneration last drawn, if any	Not Applicable	Rs. 6,00,000 in the financial year 2022-23
Justification for choosing the appointee for appointment	In the opinion of the Board, Ms. Goyal possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as Director as specified in the Act and the SEBI Listing Regulations.	In the opinion of the Board, Ms. Neelam Mittal possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as the Director as specified in the Act and the SEBI Listing Regulations.

<b>Particulars</b>	<b>Mr. Shyam Lal Kapil</b>	<b>Mr. Krishan Kumar Gupta</b>
Father's Name	Mr. Ati Sunder Kapil	Mr. Kasturi Lal Gupta
Date of Birth	January 01, 1963	February 28, 1958
Age	60 years	65 years
Date of first Appointment	July 25, 2023	July 25, 2023
Brief resume and expertise in specific functional areas	<p>Mr. Shyam Lal Kapil holds the degree in M. Tech from IIT Roorkee and PGDM in finance from IMT -CDL. Before joining the DMR, he was employed with NHPC as Executive Director Engineer. In NHPC he headed several divisions and worked for construction of several projects. He also worked for preparation of DPR of more than 40 projects covering Hydro, Pumped Storage, Solar, Wind, Geothermal and Green Hydrogen in India. Also worked on hydro projects in Myanmar, Bhutan and Nepal. He introduced several advanced geophysical techniques for investigation for faster investigation and these helped in minimising the geological uncertainties during construction. He developed a Real Time Seismic Data centre in NHPC for seismic monitoring of all NHPC projects one of its kind in India He has been actively involved with projects of NTPC, THDC, PPA and Several State Govts. and resolved some of the critical issues related to dams/ TBM &amp; DBM tunnelling.</p>	<p>Mr. Krishan Kumar Gupta holds a degree in Bachelor of Engineering in Civil from Thapar Institute of Engineering and Technology, Patiala, Punjab, India. He also holds degree in MBA and LLB. He has more than 42 years of experience in the field of construction &amp; project management with specialization in hydroelectric projects both in the government &amp; private sectors in India &amp; abroad. He has also worked in the Central Water Commission in the Government of India &amp; also with Larsen &amp; Toubro Limited. He has been associated in the implementation of a number of land mark hydroelectric projects which among others include 520 MW Parbati Stage III HEP in Himachal Pradesh, 99 MW Singoli Bhatwari HEP in Uttarakhand, 1020 MW Tala HEP in Bhutan &amp; 1200 MW Punatsangchhu-I HEP also in Bhutan.</p>
Qualification	M. Tech (Civil Engineering)	MBA, LLB and Bachelor of Engineering in Civil
Terms and conditions of appointment	As detailed in the respective resolution and explanatory statement.	As detailed in the respective resolution and explanatory statement.
Directorship held in other companies including Listed Companies	Nil	Nil

Chairman/member of the committee of the Board of Directors of the Company	Nil	Nil
Chairman/member of the committee of the Board of Directors of other companies (including listed companies) in which he/she is a director	Nil	Nil
Listed entities from which the person has resigned in the past three years	Nil	Nil
Number of shares held in the Company including shareholding as a beneficial owner	Nil	Nil
No. of Board meetings attended during the financial year 2022-23	Nil	Nil
Relationship with other Directors, Manager and KMPs of the Company	None	None
Details of remuneration sought to be paid, if any	Rs. 1,00,000 per month w.e.f July 25, 2023	Rs. 1,00,000 per month w.e.f July 25, 2023
Remuneration last drawn, if any	Not Applicable	Not Applicable
Justification for choosing the appointee for appointment	In the opinion of the Board, Mr. Kapil possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as Director as specified in the Act and the SEBI Listing Regulations.	In the opinion of the Board, Mr. Gupta possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as Director as specified in the Act and the SEBI Listing Regulations.



**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE COMPANIES ACT, 2013 (THE “ACT”) WITH RESPECT TO ITEM NO. 8, 9, 11 and 12**

**I. GENERAL INFORMATION**

**(a) Nature of industry:**

DMR Hydroengineering & Infrastructures Limited is engaged in the business of providing engineering consultancy and due diligence services to hydropower, dams, roads and railway tunnels etc.

**(b) Date or expected date of commencement of commercial production:**

The Company commenced business from the date of its incorporation i.e. on December 15, 2009.

**(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable**

**(d) Financial performance based on given indicators**

**(Amount Rs. In Lakhs)**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
Revenue from Operations	437.73	353.45	240.73
Other Income	8.99	3.57	2.53
<b>Total Revenue</b>	<b>446.72</b>	<b>357.02</b>	<b>243.26</b>
Total expenses	344.08	266.05	161.12
<b>Profit before tax</b>	<b>102.64</b>	<b>90.97</b>	<b>82.15</b>
Current Tax	23.18	21.41	21.58
Deferred Tax	2.01	0.90	(0.22)
<b>Total Tax Expense</b>	<b>25.20</b>	<b>22.31</b>	<b>21.36</b>
<b>Profit/(Loss) for the period</b>	<b>77.44</b>	<b>68.65</b>	<b>60.79</b>

**(e) Foreign investments or collaborations, if any.**

As on March 31, 2023, the Company did not made any foreign investment except in its wholly owned subsidiary, DMR Consulting Inc. in Delaware, United States, and the same is pending due to regulatory measures.

Further, as on March 31, 2023, the Company has not received any foreign investment except in case of rare instances of miniscule trading of the shares of the Company from the open market by the foreign shareholders.

**II. INFORMATION ABOUT THE APPOINTEE:**

**(a) Background details, job profile and suitability:**

- i. **Mr. Subhash Chander Mittal** is a Promoter as well as Chairman and Managing Director of the Company. He has been on the Board of Directors of the Company since incorporation. He holds the degree in Bachelor of Science in Civil Engineering from Regional Engineering

College of Kurukshetra University, Haryana, India. He has diverse experience of more than 38 years in the field of engineering consulting industry. He has successfully and in a sustained way contributed significantly towards growth in performance of the Company

- ii. **Ms. Neelam Mittal** is Promoter and Whole-time Director of the Company. She has been on the Board of the Company since incorporation. She holds degree in Department of Economics, Master of Arts from Kurukshetra University in the year 1982. She leads and monitors the human resource department of the Company. The profile of Ms. Mittal complements to her designation in the Company. She has successfully contributed towards the growth of the Company.
- iii. **Mr. Shyam Lal Kapil** is an Executive Director of the Company. He holds the degree in M. Tech from IIT Roorkee and PGDM in finance from IMT -CDL. Before joining the DMR, he was employed with NHPC as Executive Director Engineer. The profile of Mr. Kapil complements to his designation in the Company. Further, Mr. Kapil is successfully contributing towards the growth of the Company since his association.
- iv. **Mr. Krishan Kumar Gupta** is an Executive Director of the Company. He holds a degree in Bachelor of Engineering in Civil from Thapar Institute of Engineering and Technology, Patiala, Punjab, India. He also holds degree in MBA and LLB. He has more than 42 years of experience in the field of construction & project management with specialization in hydroelectric projects. The profile of Mr. Gupta complements to his designation in the Company. Further, Mr. Gupta is successfully contributing towards the growth of the Company since his association.

**(b) Past Remuneration:**

Please refer to the table above, incorporated pursuant to para 1.2.5 of SS-2 and regulation 36 of the SEBI Listing Regulations above.

**(c) The remuneration or commission drawn by the individual concerned in any other capacity: Nil**

**(d) The remuneration or commission drawn by him from any other company: Nil**

**(e) Remuneration proposed:** Please refer the resolutions no. 8, 9, 11 and 12 along with explanatory statement thereof as mentioned above.

**(f) Recognition or awards: Nil**

**(g) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person, and the relationship between remuneration and performance of the person (in case of expatriates the relevant details would be with respect to the country of origin):**

- i. **Mr. Subhash Chander Mittal** is a Promoter as well as Chairman and Managing Director of the Company. He has been on the Board of Directors of the Company since incorporation. He holds the degree in Bachelor of Science in Civil Engineering from Regional Engineering College of Kurukshetra University, Haryana, India. He has diverse experience of more than 38 years in the field of engineering consulting industry. His respective skill sets and

experience place his in a correspondingly equal position at peer Companies in India. Considering his specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed Companies in India.

- ii. **Ms. Neelam Mittal** is Promoter and Whole-time Director of the Company. She has been on the Board of the Company since incorporation. She holds degree in Department of Economics, Master of Arts from Kurukshetra University in the year 1982. She leads and monitors the human resource department of the Company. Her respective skill sets and experience place her in a correspondingly equal position at peer Companies in India. Considering her specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed Companies in India.
- iii. **Mr. Shyam Lal Kapil** is an Executive Director and Senior Vice President of the Company. He holds the degree in M. Tech from IIT Roorkee and PGDM in finance from IMT -CDL. Before joining the DMR, he was employed with NHPC as Executive Director Engineer. His respective skill sets and experience place his in a correspondingly equal position at peer Companies in India. Considering his specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed Companies in India.
- iv. **Mr. Krishan Kumar Gupta** is an Executive Director and Senior Vice President of the Company. He holds a degree in Bachelor of Engineering in Civil from Thapar Institute of Engineering and Technology, Patiala, Punjab, India. He also holds degree in MBA and LLB. He has more than 42 years of experience in the field of construction & project management with specialization in hydroelectric projects. His respective skill sets and experience place his in a correspondingly equal position at peer Companies in India. Considering his specific company profile, the proposed remuneration is in line with the industry levels and that of comparatively placed Companies in India.

**(h) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any:**

Apart from the remuneration paid to them as Managing Director/ Whole-time Directors as stated above and their respective shareholding held directly or indirectly in the Company and Ms. Neelam Mittal, Whole-time Director, being the wife of Mr. Subhash Chander Mittal, Chairman and Managing Director, the Directors do not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

**(i) The securities held by the directors, including options and details of the shares pledged as at the end of the preceding financial year:**

Mr. Shayam Lal Kapil, and Mr. Krishan Kumar Gupta does not hold any shares/options in the Company as on March 31, 2023.

As on March 31, 2023, Ms. Neelam Mittal holds 12,88,000 equity shares and Mr. Subhash Chander Mittal holds 10,90,000 equity shares in the Company. Further, no stock options have been held and no shares have been pledged by Ms. Mittal and Mr. Mittal.

**(j) Whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference: No**

- (k) **The principle of proportionality of remuneration within the company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the company.**

Please refer Annexure-IV of the Board's report.

### **III. OTHER INFORMATION:**

- (a) **Reason of loss or inadequate profits:** As on March 31, 2023, the Company did not have any loss or inadequate profits. The disclosure under Schedule V has been given as a matter of abundant precaution.
- (b) **Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:** The Company is regularly taking steps for further improvement and growth in the productivity and profits.
- (c) **Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:** The Company is regularly taking steps for further improvement and growth in the productivity and profits.

**Place: Faridabad**  
**Date: August 12, 2023**

**Registered Office**  
473, Sector-30, Faridabad,  
Haryana, India 121003

**By order of the Board**  
**For DMR Hydroengineering and Infrastructures Limited**

**Sd/-**  
**Ravinder Kumar Bhatia**  
**Company Secretary and Compliance Officer**  
**M. No. A68152**