

Date: 26/08/2022

To

Manager, <b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex- Bandra (E), Mumbai-400051  <b>NSE Symbol: HITECH</b>	Listing Department, <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Rotunda Building, Dalal Street, Fort Mumbai- 400001  <b>Scrip Code: 543411</b>
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**Subject: Annual Report for the Financial Year 2021-22 alongwith Notice convening the 38<sup>th</sup> Annual General Meeting.**

Dear Sir,

Pursuant to the Regulation 30, 34, and other applicable Regulations of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the 38<sup>th</sup> Annual General Meeting of the members of the Company will be held on **Wednesday, 28<sup>th</sup> day of September, 2022** at **11:30 a.m.** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Annual Report for FY 2021-22 and the Notice of 38<sup>th</sup> AGM are also available at the website of the Company at [www.hitechpipes.in](http://www.hitechpipes.in)

Kindly take the above information on records and oblige.

Yours Truly,

For **HI-TECH PIPES LIMITED**

For **HI-TECH PIPES LIMITED**

  
Arun Kumar

Company Secretary & Compliance Officer

Encl: 1. Annual Report for FY 2021-22  
2. Notice of 38<sup>th</sup> AGM of the Company

# Hi-TECH

— STEEL PIPES —

**STRONGER  
GREENER  
INDIA**



Annual Report  
2021-22

**HI-TECH PIPES LIMITED**

**Hi-TECH**  
== STEEL PIPES ==

# ANNUAL REPORT 2021-22

## **Reporting period and scope**

This report covers financial and non-financial information and activities of Hi-Tech Pipes Limited ('the Company' or 'Hi-Tech Pipes') during the period April 1, 2021, to March 31, 2022. The report's financial figures are audited by M/s A. N. Gang & Co., Chartered Accountant

## **Materiality**

We cover key material aspects that have been identified through our ongoing stakeholder engagement and are addressed by various programmes or action points set by the key management personnel.

## **Responsiveness**

Our reporting addresses a gamut of stakeholders, each having their own needs and interests. This report is one element of our interaction and communication. It reflects how we manage our operations by accounting and responding to stakeholder concerns.

## **Forward-Looking Statements**

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operations or financial performance.

Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

# INSIDE THE REPORT

This Report is also available online on  
[www.hitechpipes.in](http://www.hitechpipes.in)

or Scan this QR code to Download



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# Corporate Information

## BOARD OF DIRECTORS

**Mr. Ajay Kumar Bansal**

Managing Director

**Mr. Anish Bansal**

Whole-Time Director

**Mr. Vivek Goyal**

Non-Executive Independent Director

**Mr. Prashant Kumar Saxena**

Non-Executive Independent Director

**Mrs. Neerja Kumar**

Non-Executive Independent Director  
(Woman Director)

**Mr. Mukesh Kumar Garg**

Non-Executive Independent Director



## CHIEF FINANCIAL OFFICER

**Mr. Arvind Bansal, FCA**

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Mr. Arun Kumar**

## STATUTORY AUDITOR

**M/s A. N. Garg & Co.**

Chartered Accountants



**REGISTERED OFFICE**

505, Pearls Omaxe Tower,  
Netaji Subhash Place, Pitampura,  
New Delhi-110034  
Contact Nos.: +91 11 48440050, 7827801001  
Website: www.hitechpipes.in  
CIN: L27202DL1985PLC019750

**REGISTRAR & SHARE TRANSFER AGENTS****Big Share Services Pvt. Ltd.  
(Mumbai Office)**

Office No. S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai - 400093.  
Tel. No.: 022-6263 8200  
Fax: 91-22-2847 5207  
For Investor queries/grievance  
E-mail: investor@bigshareonline.com

**(Delhi Office)**

302, Kaushal Bazar, 32-33, Nehru Place,  
New Delhi - 110019  
Ph: +91-11-42425004  
Fax: +91-11-47565852  
E-mail: bssdelhi@bigshareonline.com

**BANKERS**

State Bank of India  
Canara Bank  
HDFC Bank  
IDFC First Bank  
SVC Co-operative Bank  
IndusInd Bank

**WORKS****HI-TECH PIPES LTD.****Sikandrabad (UP)**

- Plot No. 10, UPSIDC  
Sikandrabad, Bulandshahar  
Uttar Pradesh-203 205
- Plot No. 16, UPSIDC  
Sikandrabad, Bulandshahar  
Uttar Pradesh-203 205

**Ahmedabad (Gujarat)**

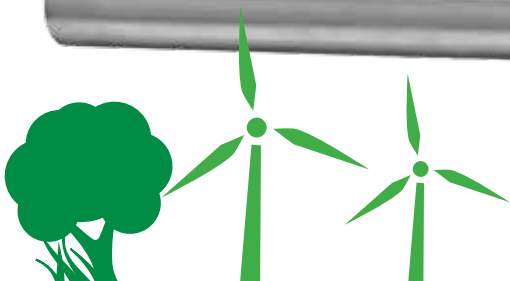
Plot No. E-6, GIDC  
BOL-II, Sanand, Ahmedabad  
Gujarat-382 170

**HTL METAL PVT. LTD.****Hindupur (Andhra Pradesh)  
(Wholly owned subsidiary)**

41-B, Gollapuram  
Hindupur  
Andhra Pradesh-515 211

**HTL ISPAT PVT. LTD.****Khopoli Maharashtra  
(Wholly owned subsidiary)**

Survey No. 33, 2/A/2, Ajiwali Village  
Khalapur Main Khopoli -  
Pen Highway Rajgad,  
Maharashtra - 410203





# Stronger Greener India

Making environmental health integral to India's economic growth, agenda is likely to propel India's position in the global forum.

## How a Greener India can help build a Stronger economy?

India is an emerging economy at the cusp of sizeable growth.

According to many industry experts, over the next three decades, the nation is expected to witness a 3x growth in its economy. But at the same time, the population is expected to increase by another 200 million people.

Thus, the country is poised for significant expansion in its infrastructure, energy consumption and resource-use as it seeks to improve the standard of living of its population.





Standing, at this juncture, it is important that the nation strike the right balance between economic growth and environment sustainability as we all know that economic prosperity cannot be achieved at the cost of the environment.

As India evolves to emerge as a circular economy, it can be beneficial in several ways. It promotes the use and reuse of resources and is expected to bring in healthy practices of consumption of non-renewable resources.



## Who we are?

Hi-Tech Pipes Limited is one of India's leading manufacturer and marketer of products in the Indian steel tubes and pipes industry.



Our relentless passion and perseverance enable us to deliver thoughtfully engineered and customised products to enrich our consumers' lives. Operating for over three decades, we have established superior brand positioning in a fast-evolving and competitive marketplace.

Underpinning our competencies is our diversified product portfolio, world-class manufacturing facilities, and a robust distribution network. Besides strong manufacturing capabilities, while maintaining strict controls over quality and

design, we also have strong logistical capabilities ensuring timely delivery of our products.

By growing responsibly, the Company has emerged as a dependable steel piping partner for several downstream industries in India.

## VISION

To lead the industry from the front with an impeccable commitment to standards, quality, productivity and customer satisfaction.



## MISSION



We aspire to achieve business excellence through Optimum utilization of resources



Providing product of quality and by enriching the lives of people associated with us



Sustainable environment friendly procedures and practices



The highest ethics and standard



The spirit of entrepreneurship and innovation



Hiring, developing and retaining the best of people



Maximizing returns to stakeholders

**Hi-Tech Pipes Limited is one of India's leading manufacturers of steel tubes and pipes. We are proud to supply a wide range of steel tubes and pipes to some of the most successful corporates in India.**

**Our manufacturing prowess**

Our state-of-the-art, highly equipped five manufacturing facilities are located in Sikandrabad (Uttar Pradesh), Sanand (Gujarat), Khopoli (Maharashtra), and Hindupur (Andhra Pradesh). Driven by stringent quality and design specification norms, these

units support the production of superior and aesthetic products that delight consumers.

**Our growing presence**

A robust network boosted by 390+ distributor and dealers and over 150+ OEM partners enables us to serve diverse consumers across pan-India.

As part of efforts to enhance our presence, we continue to consolidate our presence in the southern markets while strengthening penetration in the north-western markets. Our aim is to enter newer markets of high-potential and make our products easily accessible.



**Sikandrabad, Uttar Pradesh (Unit-1)**  
Installed capacity of 2,19,000 MTPA



**Sikandrabad, Uttar Pradesh (Unit-2)**  
Installed capacity of 36,000 MTPA



**Sanand, Gujarat**  
Installed capacity of 1,25,000 MTPA

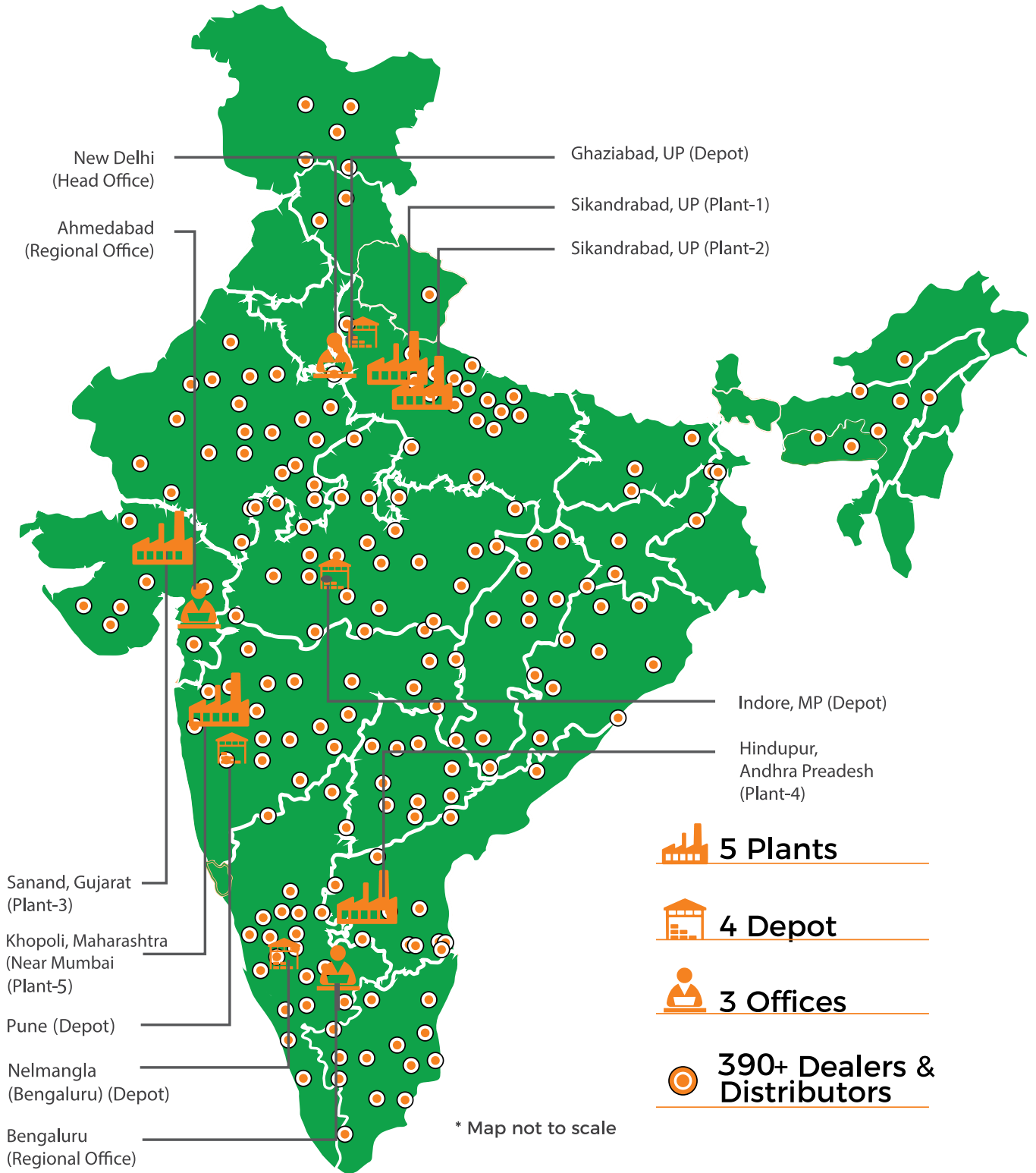


**Hindupur, Andhra Pradesh**  
Installed capacity of 1,20,000 MTPA



**Khopoli, Maharashtra**  
Installed capacity of 80,000 MTPA

# Where we are





# How we are growing stronger?



**1988**

We started our business



**6**

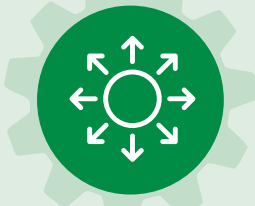
The different product line of steel pipes



We have built

**5.8+**

MTPA production capacity



We created

**390+**

strong distributor and dealer base



We registered a sales volume of

**2,77,000**

tonnes in FY22



We are connected to

**150+**

OEM customers across India



**1100+**

Workforce



We reached out to

**590+**

SKUs spread across India



# How Hi-Tech Pipes is aiding in India becoming ‘Stronger and Greener’?

With the world facing an unprecedented environmental crisis, as a responsible business entity, we intend to play our part in helping rebuild our mother nature in a sustainable manner.

Our sustainable business growth and robust financials are driven by our commitment towards building a greener and sustainable tomorrow.

Our core mission of a greener tomorrow finds resonance in everything we do – from setting up state-of-the-art plants to using renewable power to minimize our carbon footprint to provide products which are sustainable and help in protecting the environment.

We use steel as raw material for the manufacturing of our tubes and pipes.

Steel plays a critical role in rebuilding our mother nature.

One incredible thing about steel is that it can be recycled, and it is the most recycled product in the world. Being able to repurpose or reuse steel, with no loss in quality and properties, equates into less depletion of our natural environment.

Also, steel has such an impressive lifespan. Therefore, it is a more sustainable material for both structural systems and protective covering.

Additionally, this incredibly durable material is fireproof, isn't affected by termites or mold, and needs very little maintenance.

More the usage of steel products, less the number of trees being cut or lesser the usage environment degrading

material such as plastics. Thus, help is rebuilding of our mother nature.

We manufacture and market steel tubes and pipes, which are used across various industries, and play our part in creating sustainable and greener tomorrow for the people of our nation.





One incredible thing about steel is that it can be recycled, and it is the most recycled product in the world. Being able to repurpose or reuse steel, with no loss in quality and properties, equates into less depletion of our natural environment.



# Stronger and Greener Tomorrow. Our multi-dimensional growth strategy.

At Hi-Tech Pipes Limited, we pride ourselves on the strength and longevity of our customer partnerships, ensuring we win together in a dynamic market. Customer partnership is at the heart of our business model; we have consistently enhanced our relevance with customers by supporting them with products which drive strong returns both for them and for us, progressively increasing the breadth of these relationships across categories, and partnering with them to unlock efficiency across a shared value chain.

**100+**

Number of new clients onboarded in the last three years

**18%**

CAGR growth in profitability in the last five years





# Emerging Stronger. Our capabilities and adaptability.

## Operational excellence

Over the years, we have built our operational efficiency by focusing on cost efficiency and the adoption of best-in-class technologies. This strategy of ours has helped us to achieve higher process efficiency and boost business performance. We have been working on streamlining our operations and bringing in more efficiencies with the adoption of the latest technologies, and during the fiscal year under review, we have continued to accelerate on these measures.

In the year under review, we implemented several new initiatives to achieve a greater degree of operational excellence. In our endeavour to bring disruptive and premium products to the market, we proactively undertook several de-bottlenecking programmes

in our existing plants with the timely maintenance of machineries and equipment. This focus is on driving manufacturing excellence through world-class systems and processes has helped us enhance our competitiveness and efficiency.

We focused on regular monitoring of our manufacturing processes to ensure product quality and management. We also installed a centralised procurement management mechanism to ensure efficient raw material management and reduce storage cost. We also installed solar power panels at our plants to meet a large part of our power requirement, save on power cost and minimise our carbon footprint.

**27%**

Growth in manufacturing capacity over the last three years

**18%**

Percentage of power requirement met through solar energy





## Portfolio excellence

Critical thinking and enriching industry experience have helped us develop a portfolio, where in every product has its own USP and offers multiple values to our customers. Therefore, today every Hi-Tech Pipes' product guarantees durability, superior aesthetics,



**Hi-TECH**  
**ALSHAKTI**<sup>TM</sup>  
GI PIPES FOR BOREWELL

**Product:** GI Pipes  
**Application:** Borewell, Water, Agriculture



**Hi-TECH**  
**FIREFIGHTER**<sup>TM</sup>  
STEEL PIPES FOR FIRE FIGHTING

**Product:** MS & GI Pipes  
**Application:** Fire Safty - Buildings



**Hi-TECH**  
**CASEWELL**<sup>TM</sup>  
CASING PIPES FOR BOREWELL

**Product:** MS & GI Casing Pipes  
**Application:** Borewell



**Hi-TECH**  
**SHAKTI**<sup>TM</sup>  
STRUCTURAL PIPES FOR FABRICATION

**Product:** MS Hollow Section  
**Application:** Construction Industries



**Hi-TECH**  
**ORGANIC**<sup>TM</sup>  
GI PIPES FOR GREEN HOUSES

**Product:** GI Pipes  
**Application:** Polyhouses, Agriculture



**Hi-TECH**  
**PILLAR**<sup>TM</sup>  
STEEL HOLLOW SECTIONS

**Product:** Hollow Section  
**Application:** Commercial Buildings

# Hi-TECH BAHUBALI™

JUMBO STEEL PIPES



**Product:** Large Dia Hollow Section  
**Application:** Infra, Airport, Metro Station

# Hi-TECH FLATMAX™

COLD ROLLED COILS & STRIPS



**Product:** CRCA Coils & Strips  
**Application:** Automobile,  
White Goods

# Hi-TECH PRE-GAL™

GP STEEL PIPES



**Product:** GI Pipes  
**Application:** India Coastal & related

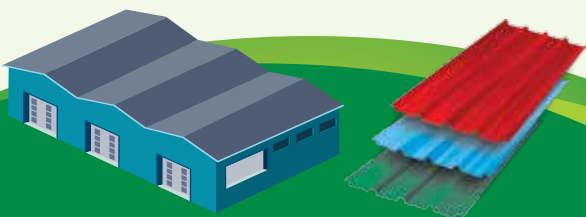
# Hi-TECH CRASHGUARD™

METAL BEAM CRASH BARRIER



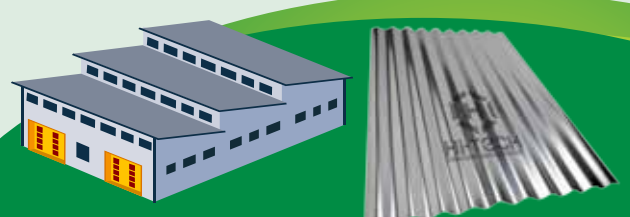
**Product:** Metal Beam Crash Barrier  
**Application:** Road & Railway Safety

# Hi-TECH ROOFING SHEETS



**Product** : Color Roofing Sheet  
**Application** : Garden Building,  
Construction & Backyard

# Hi-TECH



**Product** : Roofing Sheet  
**Application** : Industrial Roof, Household  
Roof Tops, Garages





“I would like to say that we look forward to many more wonderful growth years and we would continue to grow responsibly while making India more greener.”

## Chairman's message

### ‘We remain committed to increase our profitability and strengthen our balance sheet’

#### Dear Shareholders,

As I write to you, at Hi-Tech Pipes Limited, we believe that all of you have been safe and healthy through these unprecedented and challenging times that humanity faced in its recent history. During FY22, the Company continued to focus on its core objective of building a sustainable growth strategy, whilst continuing to focus on our long-term vision of helping build a ‘Greener Nation’.

At Hi-Tech Pipes Limited, ‘Help Build a Greener Nation’ then – and now - is not a strategy; it is a belief system. This belief represents a distillation of various values and ethics that go into building an incredible

nation with unlimited opportunities.

#### The year in review

At Hi-Tech Pipes, the onset of subsequent Covid-19 waves and the resultant lockdowns presented us with extraordinary challenges in the first half of the year. Supply chain disruptions coupled with fluctuating raw material prices added to the list of concerns. Yet, I am pleased to share with you that our Company has demonstrated a strong resilience. We not only overcame the hurdles but also registered a robust year-on-year growth. Despite the significant surge in prices of raw materials on the international market and the inflationary

impact of various commodities, our numbers demonstrated a steady increase. Our people have responded with great agility and commitment to enable the Company to emerge victorious with strength. Quick recovery of the global and Indian economy also played a big role. As a company, we have achieved a consistent record in operating and financial performances for the entire fiscal year, surpassing the prior year's stellar performance. Our strong balance sheet also positioned us at a vantage point as we navigated our way through these uncertain times. We recorded a 40% growth in revenue in FY22 and registered a 77% growth in profitability.

### Our strategic priorities

In FY22, as we continued to manage through the challenging trading environment associated with COVID-19 by focusing on three key priorities – keeping our people safe, engaging more effectively with our customers and protecting our business. These priorities are aligned with our core purpose of helping build a Greener Nation.

First, we continued to progress on our product development strategy. We are increasingly shifting towards value-added products to meet the evolving consumer aspirations. Today, our portfolio includes several premium and value-added products, and we will continue to invest in innovation to roll out differentiated offerings.

Second, as part of strengthening our production infrastructure, we made considerable progress during FY22. We started commercial production at our Khopoli plant during the year. This was a big achievement in a number of ways, one it helped us serve our south-western clients better and second it is a significant leap towards our Vision of '1 million MTPA'. We embedded some of the best-in-class manufacturing practices in our processes, systems and facilities, thus enabling us to elevate our manufacturing competency and efficiency.

Third, we undertook some decisive measures in terms of branding and marketing our products to a wider customer base. Through dedicated marketing initiatives, we tried to uniquely position ourselves and align with our brand

proposition. From emerging digital space to traditional marketing channels, we explored every avenue to market our product and also to educate people on the benefits of using steel products and how it can help protect our mother nature. Our strategic investment in brand visibility is aimed at improving our brand penetration in the Southern markets and consolidating our leadership position in the markets where we already have a strong presence. While we consciously changed our communication strategy, our focus on enhancing our brand visibility through aggressive marketing remains unchanged. Further, our digital engagement efforts have been stepped up in FY22.

In FY22, we remained geared towards the strategically important area of growing our distribution network, particularly in Southern India. Expanding our distribution network in these markets, we believe, will provide significant potential for revenue growth. Currently, our non-South business contributes around 85% to our revenues, whereas South India contributes only 15%. To expand our presence in South India over the next four to five years, we focused on connecting with more dealers, distributors, and architects in the region.

### Looking ahead

Business in early FY23 has been encouraging, with continued positive revenue momentum across the business. As mobility increases towards pre-pandemic levels, there is likely to be a strong growth in

economic activities as well. This is likely to drive demand for our products. Further, with growing consciousness amongst the consumers to use eco-friendly products, we expect to see a rise in steel products, including ours.

I expect FY23 to be another good year for Hi-Tech Pipes. Good demand is expected to continue for most of our products and sale prices for many of our products are expected to develop favourably. With the resilience we have showcased in a volatile business environment, we are confident that our long-term strategy would hold good for the near future. In reaction to the promising performance, Hi-Tech Pipes is stepping up its growth pedal. The company would continue to focus on the allocation of higher capital with strategic priorities for growth in the near future.

In closing, I would like to thank all our employees for their relentless efforts. I would also like to express my gratitude to our management team for their guidance and support. Finally, I offer my thanks to our consumers, business partners, suppliers, shareholders, and all other stakeholders for the trust they have placed in Hi-Tech Pipes Limited. On behalf of the Hi-Tech Pipes, I would like to say that we look forward to many more wonderful growth years and we would continue to grow responsibly while making India more greener.

**Ajay Kumar Bansal**  
Chairman & MD  
Hi-Tech Pipes Limited

# Board of Directors



## Mr. Ajay Kumar Bansal

### Chairman & Managing Director

Mr. Ajay Kumar Bansal is an industry stalwart with over 36 years of experience in the steel industry. As the Chairman of FII (Steel Tube Panel) he has successfully represented the industry at various national and international forums. He handles the operations of the Company with a team of experienced professionals through his strategic planning and identification of new growth drivers. Handling the dual responsibilities as a Chairman and Managing Director, he is the guiding force behind the Company. He can be credited for the Company's impressive track record and growth from one manufacturing unit in 1988 to four manufacturing units spread across the country.



## Mr. Anish Bansal

### Whole-Time Director

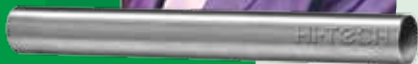
Mr. Anish Bansal handles the portfolio of Executive Director of the Company. Having completed his B.Sc. (Economics) in Banking and Finance from the Cardiff University, England, he has over 15 years of experience in business development and administration. His area of expertise includes corporate finance, strategy, marketing, product development, project implementation, international trade and finance along with other corporate matters. He works in close coordination with the management team to handle the Company's expansion plans and financial portfolio.



## Mr. P. K. Saxena

### Non-Executive Independent Director

Mr. P. K. Saxena, has a master's in physics and finance and is also a Certified Associate of Indian Institute of Bankers (CAIIB). He is retired DGM (Punjab National Bank). During his more than three-decade tenure as a banker, he worked across various domains in banking such as Bank Management, Product Enrichment and Distribution to maximize profit. He has significant experience in the field of Operational Control, Credit Management, Business Analysis, Pre/Post Sanction Follow up, Data Analytics, Foreign Exchange loan syndication, NPA recovery management, monitoring and follow up with SMA Accounts and all other aspects of banking.





### Mr. Vivek Goyal

#### Non-Executive Independent Director

Mr. Vivek Goyal has a Masters degree in Finance and Control, and is a member of the Institute of the Chartered Accountants of India (ICAI). He has also completed various certification courses on the concurrent audit of Banks from ICAI. Mr Goyal has over two decades of experience in handling large and mid-size clients across several industries in the field of Audit, Taxation, Corporate Finance, Corporate Advisory, Risk Management, Corporate Governance, M&A and restructuring initiatives. He is a senior partner in M/s Vivek Prem and Associates, a reputed accounting firm in Chandigarh.



### Mrs. Neerja Kumar

#### Non-Executive Independent Director

Mrs. Neerja Kumar did M.Sc., M.Phil. (Botany). She has retired as General Manager-(MSME) Punjab National Bank. Started her career as Management Trainee with Punjab National Bank, she is having almost four decades of experience in PNB Bank in various discipline. Worked as, Deputy General Manager in Mumbai handling HR, Planning and development, Credit, Inspection and audit.



### Mr. Mukesh Kumar Garg

#### Non-Executive Independent Director

Mr. Garg had joined Indian Railway as an IRSE Officer in July 1984 and retired from Railway on 30th June, 2019. He worked at several posts over Northern and North Central Railway, involving Railway Construction projects as well as Railway tracks/building/bridges maintenance works. Mr. Garg is having a vast experience of planning of works, handling of tenders, costing several hundred Crores of rupees, as well as of Contract Management and execution, both for maintenance works as well as Railway Construction Projects. He is also having a vast experience of contesting Arbitration cases.



# Emerging Stronger. Building on our capabilities.



## 1. Comprehensive product portfolio

Our diverse, value-added and growing product portfolio enables us to meet evolving consumer needs, stay relevant and respond to new business opportunities.

## 2. State-of-the-art manufacturing facilities

Backed by our best-in-class manufacturing capabilities,

we have been successful in bringing premium and value-added offerings to the Indian piping industry that are recognised for their high-quality, futuristic appeal and differentiated features.

## 3. Quality assurance

We have periodically implemented strict quality control measures at every stage of the product manufacturing

lifecycle to ensure that we deliver on the promise of product quality, safety, and performance.

## 4. Prudent fiscal management

We have developed a business model, which is underpinned by a robust financial framework of a healthy balance sheet with minimal debt, strong cash flow generation, and improved credit ratings.

**5. Capitalizing on opportunities**

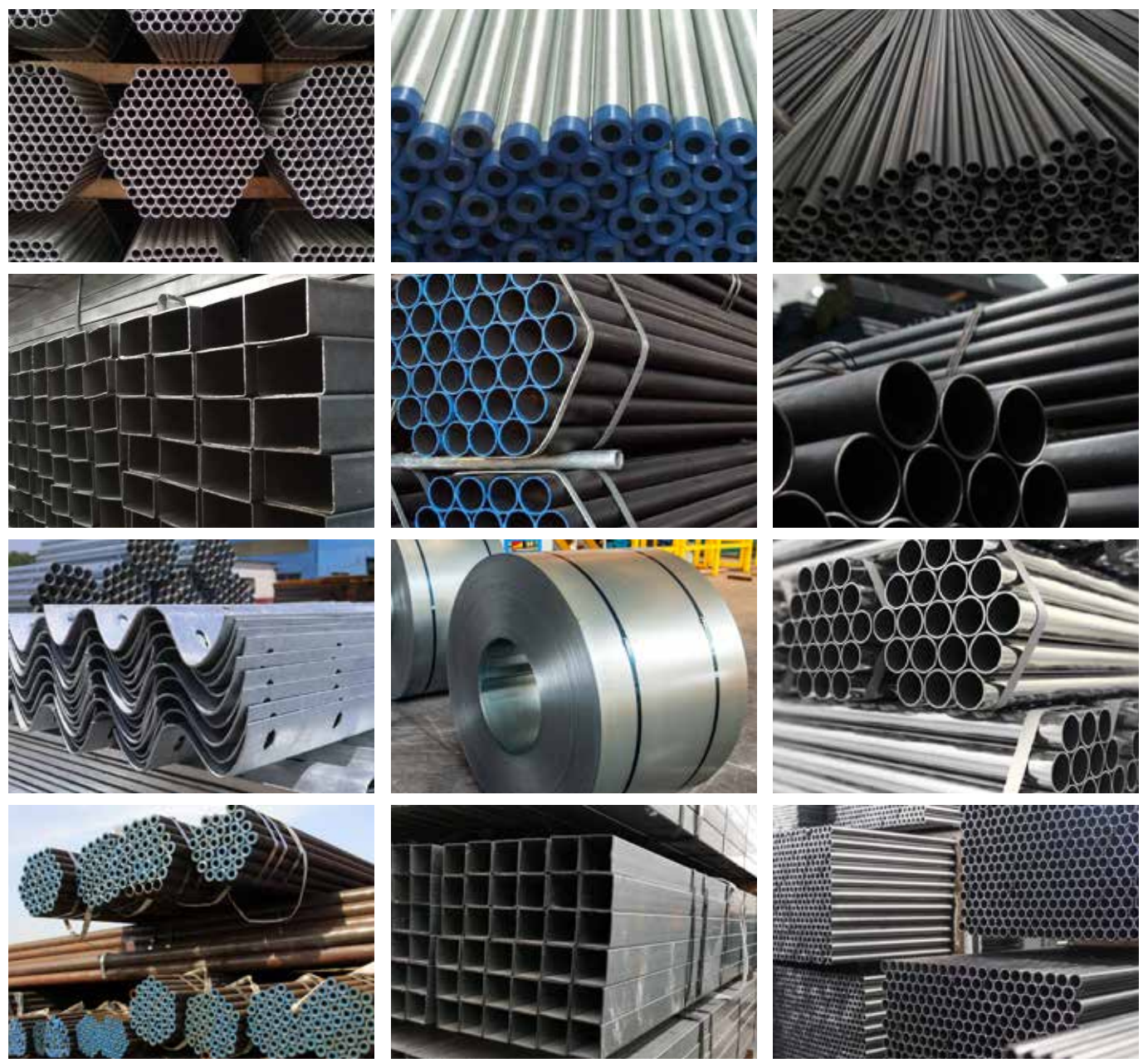
We focused on capitalizing on new opportunities by transforming ourselves in line with the future business growth strategy with dedicated geographical expansion strategy and driving business value through effective value addition.

**6. Building on our brand value**

For over three decades, the products manufactured by Hi-Tech Pipes Limited have earned a reputation for its quality, endurance and reliability. Today, the brand is recognised as a leading piping solution brand in India committed to creating products that create meaningful impact in consumer lives.

**7. Building on management capabilities**

The organisation is steered by an experienced and visionary leadership team, enabling us to capitalise on growing business opportunities while ensuring effective risk mitigation.





## Growing Stronger.

# Our quest for 1 million MTPA capacity.

As one of the leading Indian piping company, our focus since inception has been to garner industry respect and grow with pride.

Over the last two and a half decades, our relentless focus on different aspects of the business and successful execution of the business strategies has helped us build an enviable capacity of 0.58 million MTPA.

But the quest for Hi-Tech Pipes Limited doesn't stop here.

Our mission is to build a

powerful brand name for Hi-Tech Pipes Limited not just in terms of products but also in terms of capacity. We aim to do so by building on our production capacity to 1 million MTPA.

This is not just a number at Hi-Tech Pipes Limited today but a vision of pride as it elevates the Company to the next level of playing field. We believe that building this resilience is critical. The reason being it would help us tap the new opportunities that are likely to appear with

the new sunrise in the post-covid era.

Further, it would take us to the next level and help us compete at a global level. As we continue to focus on newer markets, this expansion will enable us to serve large customers or large orders with a wide range of products.

Thereby, creating the prospect of Hi-Tech Pipes Limited being regarded as a single-stop solution provider, while befitting us in terms of economies-of-scale.

# Helping build a Greener India. Through our basket of Brands.

We believe that our brands should resonate the mindset of the Company.

As we embarked on the journey to help build a Greener India, we focused on developing steel

products which have multiple utility. Steel is a material which can be re-used N number of times. Therefore, it helps our clients avoid the use of environmentally polluting materials.

Today, the unique portfolio of products from the house of Hi-Tech Pipes Limited has truly emerged as a brand that embodies the organisational mindset.



Indian agriculture is extremely critical to our economy, but the industry is overtly dependent on water for its success. We need to understand the problems of the farmers which is mostly due to the shortage of water. Keeping this in mind Hi-Tech Pipes came up with Hi-Tech Jal Shakti GI Pipes ensuring that the pipes carrying them have the proper capacity and do not contaminate the water. These pipes have high capacities for carrying water while preventing the water from being contaminated by internal corrosion.

#### Product USP

- \* Raw material: Prime HR Coil
- \* Usage of Special High Grade (SHG) Zinc
- \* Zinc coating of 400 gm/m<sup>2</sup> increases the lifespan of the pipe
- \* Long threading for strengthening the socket joints
- \* Pipe weight as per IS:1239
- \* Enhanced pipe strength to hold the weight of depth of the borewell submersible

#### Industries catered

- \* Agriculture
- \* Water management

#### Advantages

- \* Readily available inventory of different shapes and sizes
- \* Competitive pricing
- \* Effective packaging of pipes for easy unloading
- \* PAN India delivery
- \* ISI marked product, the trust factor





**GI Pipes for Green Houses**

Known for its lightweight and sturdy quality, Hi-Tech's Organic GI pipes owing to its galvanisation are more productive and are usually preferred over pipes made from PVC or plastics for different greenhouse projects.

**Product USP**

- \* Raw material: Prime HR Coil
- \* Usage of Special High Grade (SHG) Zinc
- \* Zinc coating of 400 gm/m<sup>2</sup> increases the lifespan of the pipe
- \* Easy and smooth bendings
- \* Smooth and easy edge pressing without loss of material
- \* Consistent and uniform weight

**Industries catered**

- \* Agriculture
- \* Poly Houses

**Advantages**

- \* Readily available inventory of different shapes and sizes | Competitive pricing | Effective packaging of pipes for easy unloading | PAN India delivery | ISI:3601 and ISI:1161 marked product, mark of trust



**Steel pipes for fire fighting**

Every year, fire safety has become a more important issue to companies across different industries. Designed critically to cater the needs of firefighting, Hi-Tech Firefighter pipes are known for its distinguishing red quality, galvanized quality and durability.

**Product USP**

- \* Raw material: Prime HR Coil
- \* Good quality and corrosion-resistant varnishing
- \* Product life, more than 20 years
- \* Consistent pipe weight and thickness

**Industries catered**

- \* Used for firefighting in Commercial buildings and housing projects.

**Advantages**

- \* Chemically resistant, the pipes are subjected to stringent stress test under critical field conditions
- \* Corrosion-resistant and dent free, the pipes are safe for groundwater transport
- \* Leak proof joints, the pipes are high on strength and durability
- \* Safe for high pressure water transportation



## Hi-TECH BAHUBALI™

JUMBO STEEL PIPES

Deriving its name from its core strength and large size, Hi-Tech Bahubali are large sized GI pipes used for building heavy structures. Therefore, when it comes to projects that are larger in nature, our Bahubali pipes are preferred over other GI Pipes. Whether the project involves constructing a huge building, manufacturing unit or irrigation systems, our Bahubali pipes are the most preferred ones.

### Product USP

- \* Raw material: Prime HR Coil
- \* Good quality and corrosion-resistant varnishing
- \* Known for its uniform weight and thickness, it has a product life of more than 50 years

### Industries catered

- \* Infrastructure
- \* Airport
- \* Metro stations

### Advantages

- \* Chemically resistant, the pipes are subjected to stringent stress test under critical field conditions
- \* Corrosion-resistant and dent free, the pipes are available in different shapes and sizes



## Hi-TECH PRE-GAL™

GP STEEL PIPES

Designed and manufactured with precision and care, Hi-Tech Pre-Gal pipes help meet the long-standing niche need of the Indian ocean refinery industry. Manufactured using proprietary technology these pipes are specifically manufactured to sustain in the ocean and underwater refinery environment.



### Product USP

- \* Raw material: Prime GP Coil
- \* Known for its uniform weight and thickness, it has a product life of more than 25 years



### Applicability areas

- \* Railing | Fencing | Road signs | Cladding | Furniture & containers | Solar mounting structure | Roof top sheds

### Advantages

- \* Readily available inventory of different shapes and sizes
- \* Competitive pricing
- \* Effective packaging of pipes for easy unloading
- \* PAN India delivery
- \* ISI marked product, the trust factor



**Casing pipes for borewell**

A big-time favourite amongst the borewell industries, Hi-Tech Casewell Pipes are casing pipes known for their durability and quality. Catering majorly to the B2B customers of the borewell industry, Hi-Tech Casewell pipes have corrosion-resistant varnishing which make them last more than decades and thereby ensuring saving for our customers.

**Product USP**

- \* Raw material: Prime HR Coil
- \* Good quality and corrosion-resistant varnishing
- \* Product life, more than 20 years
- \* Perfect ovality thickness

**Applicability areas**

- \* Borewell
- \* Water management

**Advantages**

- \* Easy handling transportation and installation
- \* Chemical resistant | High on strength and durability
- \* Zero corrosion, leak-proof jointing and suitable upto 1,000 ft depth



**Structural pipes for fabrication**

Hi-Tech Shakti pipes made from precision technologies that make them sophisticated and efficient. Extensively used in the construction industries, Hi-Tech Shakti pipes are known for their quality, light weight, strength, ease of installation, and anti-corrosive qualities.

**Product USP**

- \* Raw material: Prime HR Coil
- \* Good quality and corrosion-resistant varnishing
- \* Product life, more than 20 years
- \* Perfect ovality thickness

**Applicability areas**

- \* Poles and railings
- \* Scaffolding
- \* Casing columns
- \* Telecom tower

**Advantages**

- \* Chemically resistant, the pipes are subjected to stringent stress test under critical field conditions
- \* Corrosion-resistant and dent free, the pipes are available in different shapes and sizes



## Hi-TECH FLATMAX™

COLD ROLLED COILS & STRIPS

### Cold Rolled Coils and Strips

Known for its superior product quality, Hi-Tech Flatmax cold rolled strips and sheets are made from the highest quality steel and conforms to highest industry standards. With a production capacity of 1,20,000 MT/year, Hi-Tech Flatmax cold rolled sheets are made available in different shapes and sizes to match the varying needs of a wide range of customers across different industries.

### Product USP

- \* Raw material: []
- \* Technical specification of Aluminium Zinc Alloy Coated Steel
- \* Technical specification of Galvanised Colour Coated Steel

### Applicability

- \* Housing industry
- \* Automobile
- \* Office furniture
- \* Electric lamination
- \* Precision tubes and pipes
- \* White goods industry

### Advantages

- \* Precise and accurate dimensional tolerances
- \* Improve mechanical & physical properties
- \* Robust surface finish helps in improving draw ability



## Hi-TECH PILLAR

STEEL HOLLOW SECTIONS

### Steel Hollow Section Pipes

Known for its strong, light and profitable structures, Hi-Tech Pillar pipes facilitates designs with a greater aesthetic appeal.

### Product USP

- \* Lighter and more diaphanous structures
- \* High on strength owing to fewer joints
- \* Expressive capacity
- \* Circular, square, rectangular and elliptical sections provide wide a range of wall thicknesses for every dimension of tubular section and absence of sharp edges

### Applicability

- \* Commercial Building

### Advantages

- \* Reducing Steel Consumption
- \* Faster Completion
- \* Enhancing Design
- \* Reducing Civil Costs
- \* Cost Effective





**Metal beam Crash Barrier**

Known for its low initial material costs, easy installation, uncomplicated repairs, low maintenance, and durability, Hi-Tech Crashguard metal beam barriers help to keep the Indian road safe for the regular travelers. Hi-Tech Crashguard provides highly-visible protection in all weather conditions helping to increase confidence of the driver community. The guardrail system absorbs the impact of out-of-control vehicles while guiding the vehicle to safer stops. Proven results and consistent material quality make steel Hi-Tech Crashguard the preferred brand.

**Product USP**

- \* Critically designed and engineered metal crash guard
- \* Restraining barriers on embankments of highways expressway
- \* Service life of 30 years or longer
- \* Minimizes accident severity and injuries

**Applicability**

- \* National Highways, Expressways, Bridges and Flyovers
- \* High embankments / Sharp curves and Banks
- \* Mines, collieries, etc. where continuous movement of vehicles is envisaged

- \* High-density fast-moving traffic areas
- \* Village areas along highways
- \* Motor racing / Test drove tracks
- \* Crash test sites
- \* Factory areas
- \* Traffic safety in Airports
- \* Plants handling hazardous chemicals
- \* Multi-story parking

**Advantages**

- \* Ensures safety of the regular road travelers
- \* Products quality matching international standards

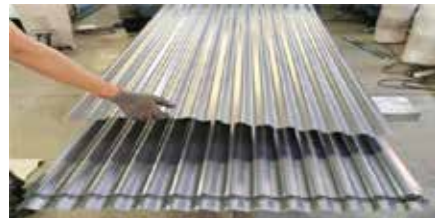




### Premium GC Roofing Sheet

Corrugated galvanized iron (CGI) sheets are very popular in all parts of the country, except in the high mountains. These sheets shall be properly anchored to each purling/ batten that supports them. Corrugated Galvanized Iron or Steel sheets are a lightweight roofing material made of thin

sheets, stiffened by corrugations. Corrugations, such as metal sheets are fragile and highly deformable. The steel used is mild steel for forming, which is galvanized to increase the durability of the metal sheets and consequently allowing them to better withstand the weather.



### Product USP

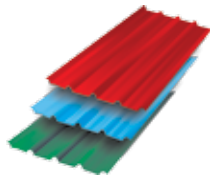
- \* Raw material: []
- \* Developed with the best of technology - Crest-top of corrugation and trough-bottom of corrugation

### Applicability industry

- \* Housing industry

### Advantages

- \* Ability to withstand the test of weather
- \* High on durability



### Premium Colour Coated Roofing Sheet

Coated Steel Sheet has been used extensively by the construction industry throughout the world nearly two centuries, because of its excellent corrosion resistances, it has become the preferred material for a wide range of construction uses, particularly

roofing and cladding. Coated Steel Sheet is a unique building material. It combines the strength of steel with the excellent corrosion protection of zinc/aluminium alloy coatings, it can be punched, roll-formed and joined into a limitless number of structural and decorative building products.

### Product USP

- \* Raw material: []
- \* Technical specification of Aluminium Zinc Alloy Coated Steel
- \* Technical specification of Galvanised Colour Coated Steel

### Applicability industry

- \* Housing industry

### Advantages

- \* Ability to withstand the test of weather
- \* High on durability



# Growing Stronger. By focusing on our people.

We are focused on attracting, developing and retaining the right talent to build a safe, engaged and performance-driven culture that can deliver the best outcomes for our customers and other stakeholders. Our employees spread across our corporate, project sites and customer locations play a vital role towards achieving our vision. We also ensure their professional development and keep them abreast of the emerging market and technological trends.

Our growth philosophy, and the energies that drive it, are

centered around our People – both direct and indirect workforce. Our people are our partners in progress and the biggest building block of our successful transformational journey. They are the central core of our leadership position and the primary propeller of our growing share in the market.

They motivate us towards sustained mutual growth and collective progress. Therefore, we remain steadfastly committed to ensuring the well-being, health, and safety of our employees. Further, we intend to provide a congenial environment for their

career growth and progression.

We launched many Employee Engagement Initiatives during the year to engage and associate with our people. Also, we conducted several online sessions with our employees involving health professional on how to keep oneself and one's family safe during this turbulent time. These initiatives helped create a bond with our people and create a healthy working environment, be it at home or office.





**35**

years  
Average age of permanent  
workforce



**100**

hours of training imparted  
to employees across the  
organisation in FY22



**15%**

Percentage of employees who  
have been associated with the  
Company for over 15 years





# Brand Excellence



We have grown consistently over the years by building deeper consumer and channel connect and offering meaningful & differentiated innovative products. These principles of growth have led the brand to grow despite the tough economic environment. Staying true to the brand core proposition, we offered our

customers products which are safe and durable.

We launched dedicated advertising campaigns across both BTL and ATL channels during the year in our focused markets. Also, introduced various new reward schemes such as Gold Coin Scheme and Foreign Travel Scheme

for our distributor and dealers to further enhance our product presence and offtake. Undertook strategic brand promotion activities through different ATL and BTL activities, such hoardings, retailer board branding and auto panel branding, among others.



# Our Strength. Our Clients.

With an in-depth understanding of the customer segments and demand, we have been able to create a portfolio which finds application across diverse industries. This has helped us to create a predictable cash flow backed by long-term relationships with most of our clients.





# Stronger Number Greener Performance.

**FY 2021-22**

Revenue  
**1878+** crore



PBT (Profit Before Tax)  
**55+** crore



Operating profit  
**100** crore



PAT (Profit After Tax)  
**40+** crore



Earnings per share  
**33.8**



Return on Equity  
**17.4%**



Return on  
Capital Employed  
**16.3%**



EBIDTA PMT  
**3634**



# Growing from Strength to Strength

## Financial highlights

Particulars	Unit	FY2018	FY2019	FY2020	FY2021	FY2022	5Yr.CAGR
Net Sales	Rs. Crore	1016	1360.4	1209.6	1340.63	1878.85	16.6%
EBIDTA	Rs. Crore	60.1	74.80	59.2	70.80	100.50	13.7%
PBT	Rs. Crore	30.0	41.0	23.9	31.00	55.30	16.5%
PAT	Rs. Crore	21.0	27.5	20.4	22.80	40.30	17.7%
EPS	Rs.	20.4	25.80	18.85	20.90	33.80	13.5%
Net Worth	Rs. Crore	113.6	146.80	173.6	205.20	258.60	22.8%
Sale Volume*	(in Lacs M.T.)	2.3	2.69	2.83	2.71	2.77	5.0%

### Earnings in Per Metric Ton (PMT)

EBIDTA	Rs. PMT	2,661	2,789	2,091	2,611	3,634	8.0%
PAT	Rs. PMT	927	1023	720	841	1,458	12.0%

### Financial Ratios in

EBIDTA	(%)	5.9%	5.5%	4.9%	5.3%	5.35%	
PBT	(%)	3.0%	3.0%	2.0%	2.3%	2.94%	
PAT	(%)	2.1%	2.0%	1.7%	1.7%	2.15%	
ROI/ROCE	(%)	19.1%	18.7%	12.3%	13.0%	16.30%	
ROE	(%)	22.1%	20.8%	12.7%	12.0%	17.40%	
Sales Value Growth	(%)	59%	34%	(11)%	11.0%	40.00%	
Sales Volume Growth	(%)	43%	19%	5%	(4)%	2.00%	

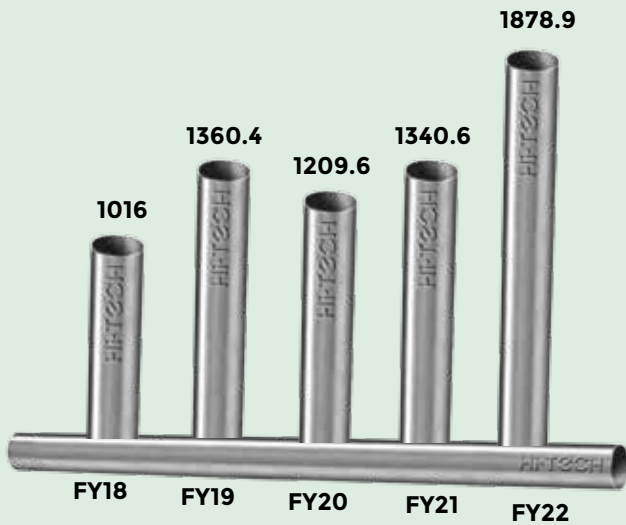
### Ratio in Times

Debt/EBIDTA		4.03	3.45	4.75	3.95	3.48	
TOL/TNW		2.97	2.40	2.27	1.92	1.97	
Debt Equity		2.14	1.76	1.70	1.45	1.42	
Current Ratio		1.20	1.20	1.23	1.37	1.43	

### Turnover Ratios in Number of Days (NoD's)

Debtor Turnover	NoD's	37	36	41	33	33	
Inventory Turnover	NoD's	55	39	54	51	50	

\* excluding trading & scrap quantity



## Revenues ( crore)

**Definition:** Growth in sales net of taxes

### Why is this measured?

It is an index that showcases the Company's ability to enhance revenues, an index that can be compared with sectoral peers.

### Performance

Aggregate sales increased by 40% to ₹1878.9 crores in FY22.

## Operating EBIDTA ( crore)

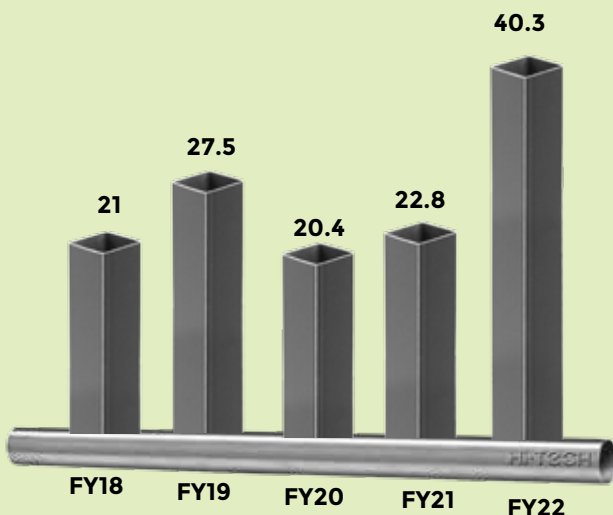
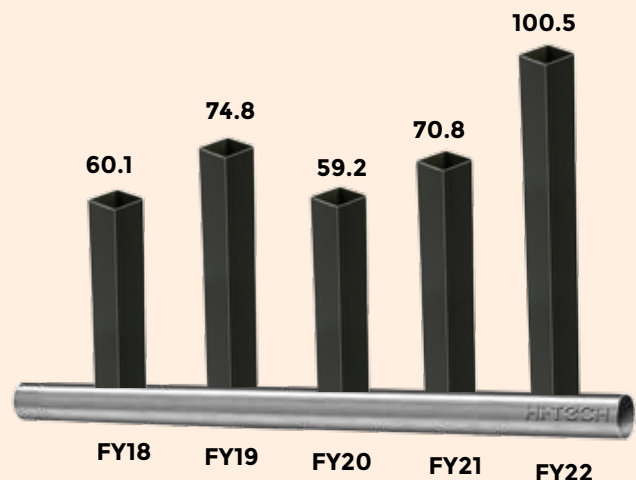
**Definition:** Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax) and excluding other income

### Why is this measured?

It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

### Performance

Operating EBIDTA increased by 42% to ₹100.5 crores in FY22 owing to focus of the Company on sale of value added products and better operating efficiency.



## PAT ( crore)

**Definition:** Profit after tax (PAT) can be termed as the net profit available for the shareholders after paying all the expenses and taxes.

### Why is this measured?

It is an index that showcases the Company's ability to generate profit after all the necessary deductions have been made.

### Performance

PAT increased by 77% to ₹40.3 crores in FY22 owing to increase sales, cost saving measures & product mix changes.

## RoCE (%)

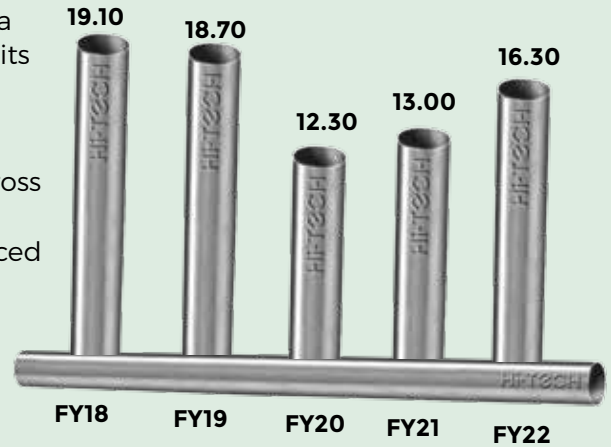
**Definition:** It is a financial percentage that measures a company's profitability and the efficiency with which its capital is employed in the business.

### Why is this measured?

RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use, especially in capital-intensive sectors like ours. Enhanced RoCE can potentially drive valuations and perception.

### Performance

The Company reported a 330 bps increase in RoCE during FY22.



## Debt-Equity Ratio

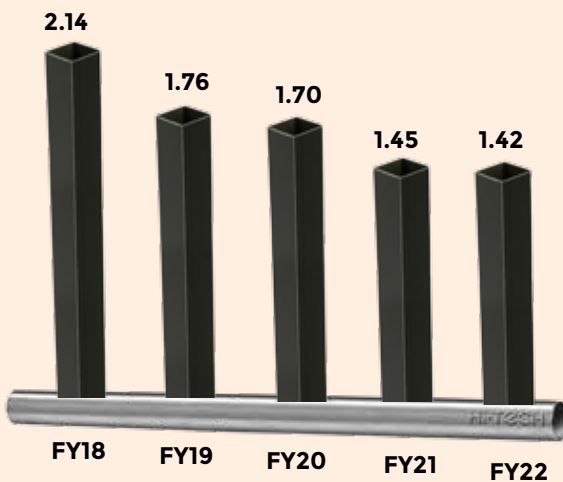
**Definition:** This is derived through the ratio of debt to net worth (less revaluation reserves).

### Why is this measured?

It is a measure of a Company's financial solvency. It also shows how a company chooses to finance its operations. High debt ratio clearly indicates that the company is unable to generate enough cash to satisfy the debt.

### Performance

The Company's gearing improved from 1.45 in FY21 to 1.42 in FY22. The company has consistently strengthened its gearing through regular and timely repayment of debt.



## Net Worth ( crore)

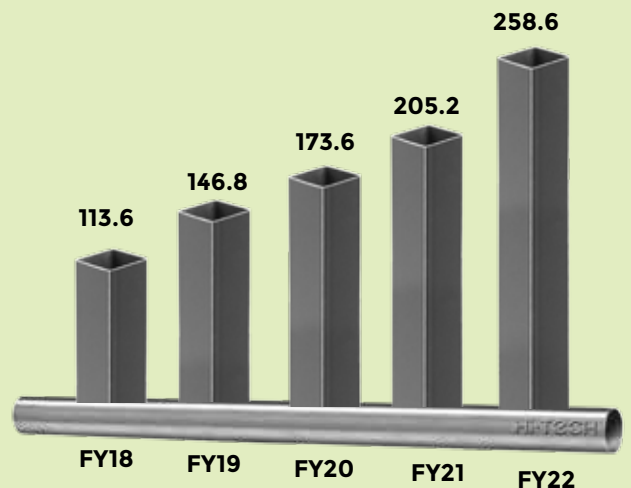
**Definition:** This is derived through the accretion of shareholder-owned funds.

### Why is this measured?

Net worth shows the financial soundness of the Company - the higher the better. This shows the borrowing capacity of the Company that influences the gearing (which in turn influences the cost at which the Company can mobilize debt).

### Performance

The Company's net worth strengthened 26% during the year under review.



## PAT Margin (%)

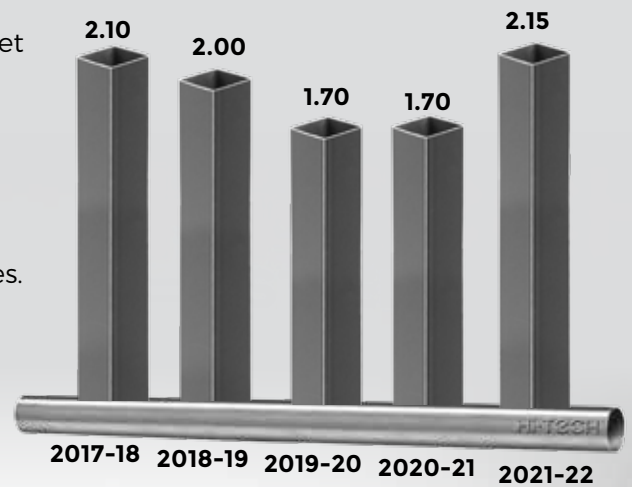
**Definition:** A PAT margin indicates the financial performance ratio of the company calculated by dividing net income by net sales. A company's PAT margin is significant because it shows how well a company controls its costs.

### Why is this measured?

PAT margin shows how efficiently a company is being run. It shows a measure of a company's performance or determinant of the effectiveness of its cost control measures. When combined with other financial measures, it can accurately depict the overall health of a company.

### Performance

The Company reported a 45 bps increase in PAT margin during FY22 because of strong revenue growth.





# Growing Stronger. By helping our communities grow.

At Hi-Tech Pipes Limited, we have consistently believed in giving back to society and staying engaged with the communities within which we operate.

Over the years, the Company

fulfilled the socio-economic requirements of the communities in different regions, including in proximity to its manufacturing locations. The Company played the role of a responsible corporate citizen and conducted itself in a social,

ethical and responsible manner.

The Company's CSR function comprised initiatives in the areas of COVID-19 assistance, environment protection, health, sustainable livelihoods, education, sports and animal welfare, among others.



# MANAGEMENT DISCUSSION AND ANALYSIS



**Global economy overview**

2020 will be etched in our minds as the year which marked the entry of the novel Corona Virus into our lives. And, since then, things have changed unprecedentedly across every sphere of human life. Battling the effects of Covid-19 across economies, the global economy entered the year 2022 in a much weaker position as the new Omicron variant of the Covid-19 virus continued to spread rapidly across countries. This resulted in a reimposition of mobility restrictions by the affected countries and it led to a decline in economic activities across the globe.

Further, the global economy remained stressed as the Ukraine and Russia war situation continues to roil financial markets, mainly because of the uncertainty surrounding the outcome of the war. Further, a steep rise in the oil prices following the war breakout is also expected to have a negative impact on the oil-dependent economies.

Dragged down by major issues such as high Covid-19 infection rates, above-target inflation, supply chain risks, and the recent war outbreak, the global economy is expected to moderate from 5.9% in 2021 to 4.4% in 2022. The slowdown will coincide with a widening divergence in growth rates between advanced economies and emerging & developing economies. Growth in advanced economies is expected to decline from 5% in 2021 to

3.8% in 2022 to 2.3% in 2023.

**Regional Outlook:**

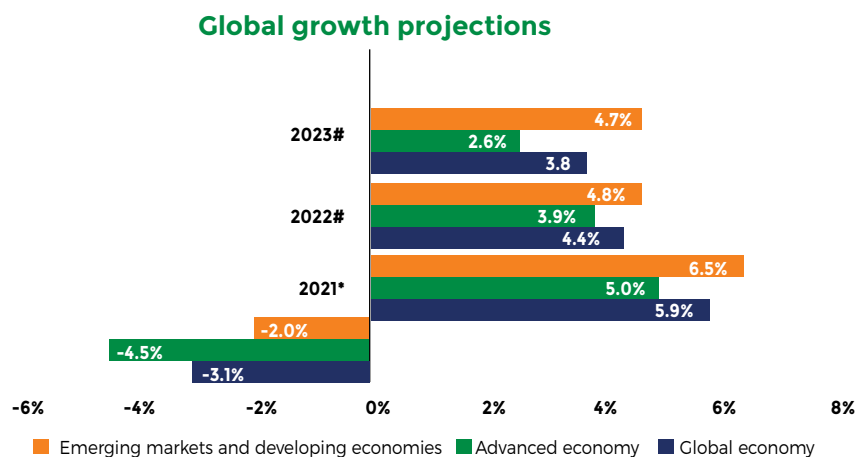
- East Asia and Pacific: Growth is projected to decelerate to 5.1% in 2022 before increasing slightly to 5.2% in 2023.
- Europe and Central Asia: Growth is forecasted to slow down to 3% in 2022 and 2.9% in 2023.
- Latin America and the Caribbean: Growth is projected to slow down to 2.6% in 2022 before increasing slightly to 2.7% in 2023.
- The Middle East and North Africa: Growth is forecasted to accelerate to 4.4% in 2022 before slowing to 3.4% in 2023.
- South Asia: Growth is projected to accelerate to 7.6% in 2022 before slowing down to 6.0% in 2023.
- Sub-Saharan Africa: Growth is forecasted to accelerate slightly to 3.6% in 2022 and

rise further to 3.8% in 2023.

In emerging and developing economies, growth is expected to drop from 6.3% in 2021 to 4.6% in 2022 and 4.4% in 2023. By 2023, all advanced economies are expected to achieve a full output recovery; yet output in emerging and developing economies will remain 4% below its pre-pandemic trend. For many vulnerable economies, the setback is even larger: the output of fragile and conflict-affected economies will be 7.5% below its pre-pandemic trend and the output of small island states would be 8.5% below.

**Outlook**

Steady deployment of vaccination programs across economies and relaxation of pandemic-related lockdowns in many countries helped boost demand. This has led to the global economy surge by 5.5% to 5.9% in 2021, its strongest post-recession pace in 80 years. However, the resurgence of Covid-19 waves driven by the rapid spread of the Omicron



[Source: IMF, World Economic Outlook, January 2022] [Note: \*Estimated | #Projected]

variant and Russia's invasion of Ukraine carries enormous risks for a world economy that's yet to fully recover from the pandemic shock. The pandemic has left the global economy with two key points of vulnerability – high inflation and jittery financial markets. Aftershocks from the war could easily worsen both.

Further, according to economists in most countries, excess demand is driven mostly by constrained supply, not strong demand, resulting in the dominance of cost-push inflation. This is a type of inflation that is not being welcomed as it squeezes profit margins, erodes actual household income, and tends to self-correct when demand is weak. Thus, the global growth outlook, therefore, remains susceptible to a lingering pandemic, persistent labor market challenges, ongoing supply chain disruptions, rising inflation, and the outcome of the Russia-Ukraine war. As an ongoing economic impact of the war, rising crude oil prices are likely to have a significant toll on the oil-importing nations. Further, the recently imposed sanctions on Russia are expected to have a substantial impact on the global economy and financial markets, with significant spillover to other countries.

#### Indian economy

The last couple of years have been difficult for the world on account of the regular Covid-19 waves, and India



was no exception. Plagued by repeated Covid waves, supply chain disruptions and, more recently, inflation has created challenging times for the Indian policy makers. However, with a proactive government at the helm, the policy makers undertook key decisive measures and introduced a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. Further, the government showcased consistent agility through different economic development measures, such as a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply side measures to prepare the economy for a sustained long-term expansion.

Backed by these positive measures, according to the government's advanced estimates, industry expects the Indian economy to witness real GDP growth of 9.2% in 2021-22 after contracting in 2020-21, implying that overall economic activity has recovered



**The last couple of years have been difficult for the world on account of the regular Covid-19 waves, and India was no exception. Plagued by repeated Covid waves, supply chain disruptions and, more recently, inflation has created challenging times for the Indian policy makers.**



past the pre-pandemic levels. This implies that the overall economic activity has recovered, past the pre-pandemic levels. Almost all indicators show that the economic impact of the second wave in Q1 was much smaller than anticipated even though the health impact was more severe. As mobility restrictions were lifted, many struggling industries came back to life. This is validated by the booming job market. The Naukri Job Speak index, an indicator of the nation's job growth, climbed to its highest level in Feb 2022, with a sharp growth in hiring in the insurance and retail sectors. There is a revival in employment in the auto industry along with other key industries, such as information technology (IT), hospitality, and financial services, remained robust.

Further, growth of the economy was driven by strong exports, thanks to the global economic recovery, and domestic private investment as businesses ramped up production to meet festive demand. Investments also maintained a steady pace of growth in the last two quarters of FY22 after declining for over a year, which shows that



the capital expenditure cycle is gaining traction.

Consumption demand, which has been a concern as the pandemic dented consumer finances and confidence, grew by 8.6% (YoY) – an enormous boost for the Indian economy. However, consumer spending lagged substantially from the pre-COVID-19 levels, suggesting that pandemic uncertainties are still weighing on consumers' confidence and ability to spend.

**FDI investments in India**

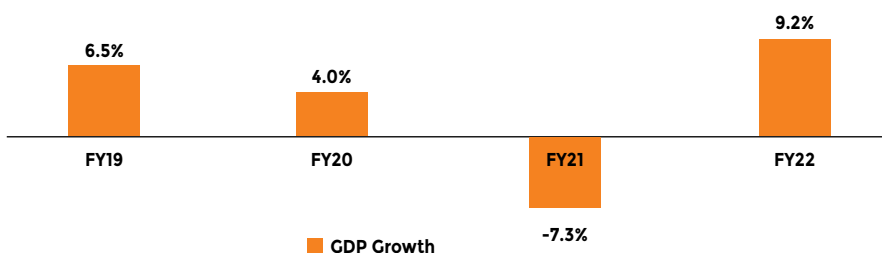
Foreign Direct Investment (FDI) is a critical enabler of any nation's economic growth, as it is a major non-debt financial resource. Foreign companies



**Almost all indicators show that the economic impact of the second wave in Q1 was much smaller than anticipated even though the health impact was more severe. As mobility restrictions were lifted, many struggling industries came back to life. This is validated by the booming job market.**



**Indian GDP growth (% annual growth)**



(Source: ET Article - Indian GDP may grow 9.2% this fiscal on base effect, Jan 08, 2022)

invest in India to take advantage of relatively lower wages, and special investment privileges viz. tax exemption. Foreign investment also connotes to achieving technical know-how and generating employment.

The Indian Government's favourable policy regime and robust business environment have ensured that foreign capital keeps flowing into the country. In recent years, the Government has taken many initiatives viz. relaxing FDI norms across sectors such as defense, PSU oil refineries, telecom, power, etc.

However, owing to some recent adverse developments, India's total foreign direct investment inflow witnessed a decline in 2021 and stood at US\$ 74.01 billion. It is 15% lower than its previous year's record US\$ 87.55 billion, according to the data published by the Ministry of Commerce and Industry.

Key Foreign Direct Investments in India in the recent years

- In Jan 2022, Google announced an investment of US\$1 billion in Indian telecom industry via a private player Bharti Airtel.
- Canada's pension fund investment board invested US\$160.49 million (₹1,200 crores) as an anchor investor in the IPO of multiple Indian companies.
- According to the Ministry of New and Renewable Energy (MNRE), India's green energy industry received FDI worth US\$7.27 billion from 2014 to 15 to June 2021.
- Indian all-electric commercial original equipment manufacturer (OEM) EVage raised US\$28 million from US-based venture capital firm Red Blue Capital.
- Swiggy raised US\$700 million led by investment management company Invesco, with the food delivery startup now valued at US\$10.7 billion.



**The Indian Government's favourable policy regime and robust business environment have ensured that foreign capital keeps flowing into the country. In recent years, the Government has taken many initiatives viz. relaxing FDI norms across sectors such as defense, PSU oil refineries, telecom, power, etc.**



- Analytics startup Fractal raised \$360 million from private investment firm TPC Capital, elevating Fractal to unicorn status.
- B2B platform Moglix raised US\$250 million, led by investors Tiger Global and Alpha Wave Global along with Hong Kong based Ward Ferry.
- Ola Electric raised US\$200 million, led by Tekne Private Ventures, Alpine Opportunity Fund and Edelweiss, which now values the company at US\$5 billion.



- Social commerce grocery startup Deal share raised US\$165 million from Tiger Global and Alpha Wave Global.
- HR tech platform Darwin box raised US\$72 million from investors, led by US-based Technology Crossover Ventures (TCV).

## India's Micro, Small and Medium Enterprises (MSME) sector

The Indian MSME sector



**Employing over 100 million people, the Indian MSME sector forms the backbone of the economy as it helps generate employment and contribute a significant part to the nation's GDP (Gross Development Product). The MSME sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades.**



contributes significantly towards the economic and social development of the country by fostering entrepreneurship and generating large employment opportunities at comparatively lower capital cost, next only to agriculture.

Employing over 100 million people, the Indian MSME sector forms the backbone of the economy as it helps generate employment and contribute a significant part to the nation's GDP (Gross Development Product). The MSME sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs are complementary to large industries as ancillary units, and this sector contributes significantly to the inclusive industrial development of the country. The MSMEs are widening their domain across sectors of the economy, producing a diverse range of products and services to meet demands of domestic as well as global markets. Over 63 million MSMEs spread across the country contributed 30.5% to India's GDP in FY19 and 30% in FY20. Further, the MSME sector alone contributes to almost 45% of the total employment opportunities in the country, 50% of total exports from India, and 95% of total industrial units in the country. The Central Government expects a contribution of \$2 trillion from the Micro Small and Medium Enterprises (MSMEs), which will eventually lead India, in accomplishing the goal of

becoming a \$5 trillion economy by 2024.

Key factors that are expected to aid in the sustainable growth of the MSME sector

- **Friendly industrial policies:** Relaxed industrial policies have played a key role in boosting the MSME sector in India. The amicable norms pertaining to labour and regulatory requirements have enabled this sector to grow healthy.
- **Encouragement of FDIs:** The influx of overseas players has poured considerable investment into the MSME sector. This aids MSMEs in adopting better technologies and resources, thereby ensuring improved productivity and competitiveness in the given marketplace.
- **Focus on Technology:** The advent of cutting-edge technologies and improved production methods have aided MSMEs in improving their overall supply chain and productivity.
- **Access to capital:** Several credit schemes launched by GOI are backing up MSMEs with adequate financial support to meet productivity needs with ease and maintain a healthy interplay with suppliers.
- **Government support:** The government schemes like Credit Linked Capital Subsidy and Credit Guarantee Trust Fund for

Micro & Small Enterprises are presently in action and facilitating easy funding without any hassle.

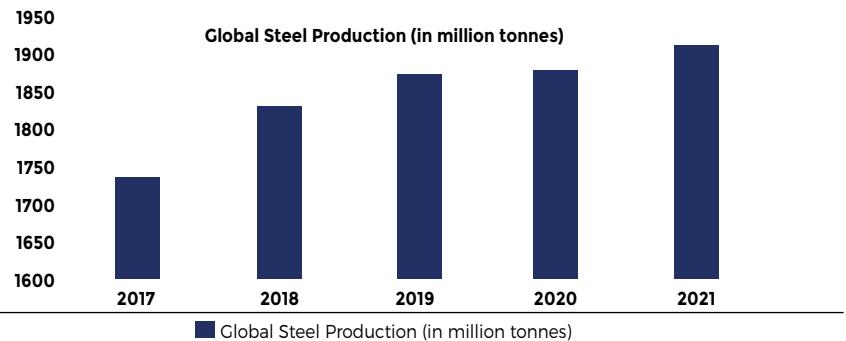
### Key budget allocations to the Indian MSME Sector

- Budget Allocation for FY 2021-22 for the MSME more than doubled to ₹15,700 crore vis-à-vis ₹7,572 crore in 2020-21
- ₹10,000 crore corpus for provision of guarantee for borrowings - a huge relief to the sector
- Provisions for earlier announced Atma Nirbhar schemes (viz. Credit Guarantee Scheme for Subordinate Debt to MSMEs and Fund of Funds) to provide much needed financial succor and accessibility
- Proposed increase in capital expenditure to ₹7,50,246 crore, a 24.5% increase over the revised estimates of 2021-2022
- Extension of the Emergency Credit Line Guarantee Scheme (ECLGS) to March 2023, and expansion of guaranteed coverage to Rs. 5 lakh crores. This includes a special earmarked expenditure on hospitality and related enterprises. This scheme has provided additional credit to more than 130 lakh MSMEs so far.
- Proposed revamp of the Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) with an additional

credit of Rs. 2 lakh crores to expand employment in the sector.

- PM Gati Shakti National Plan - A unified logistics platform consisting of integrated road, railway, airport, port, mass transport, waterway, and postal infrastructure for hassle-free delivery of material and packages.
- RAMP - Proposing the raising and accelerating MSME Performance Program with an investment of ₹6,000 crores over the next 5 years to make the MSME sector efficient, competitive, and resilient.

### Global crude steel production



(Source: <https://worldsteel.org/wp-content/uploads/2021-World-Steel-in-Figures.pdf> and <https://worldsteel.org/media-centre/press-releases/2022/december-2021-crude-steel-production-and-2021-global-totals/>)

### Global steel production, average growth rate % per annum



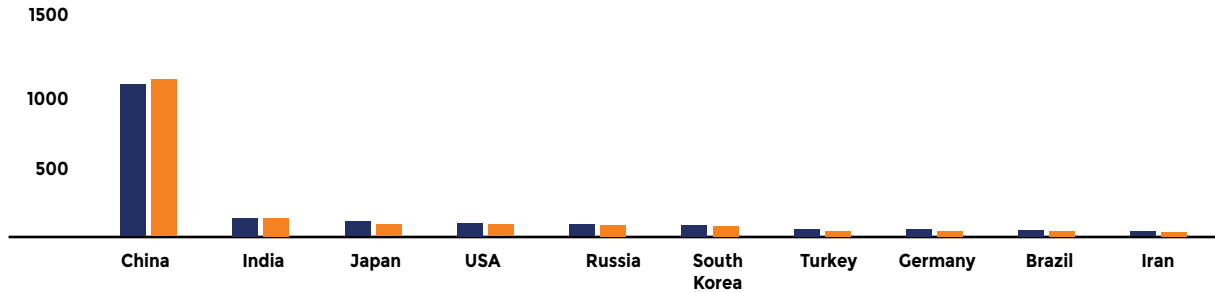
(Source: <https://worldsteel.org/wp-content/uploads/2021-World-Steel-in-Figures.pdf>)

### OUTLOOK

According to the IMF, India's prospects for 2023 are marked up on expected improvements to credit growth and, subsequently, investment and consumption, building on better-than-anticipated performance of the financial sector. The GDP is expected to grow in real terms by 8% to 8.5% in 2022-23. The industry expects the coming year to see an increase in private sector investment with the financial system in sturdy shape to support the country's economic recovery. This projection is in line with the World Bank's and



**Top 10 steel producers of the world**



Asian Development Bank's recent predictions of 8.7% and 7.5% real GDP growth for FY23, respectively.

However, concerns surrounding the slow government spending to consolidate its expenses may pose a threat. India currently has the highest fiscal deficit among its peer nations and debt is at an all-time high. With the economy gradually coming out of the pandemic's shadow and showing signs of a steady recovery, pent-up demand will probably sustain the growth momentum. This shows there is probably a lesser need for a stimulus package from the government. Besides, the government would like to build its capacity to respond to future adversities in case they arise. Another risk to the economy is the rising inflation rates. Recent spikes in inflation have concerned policymakers as pent-up demand rose faster than supply.

**Steel industry overview**

**Global steel industry**

One of the largest and most dynamic industry in the world, steel is an essential

material used in virtually all manufacturing sectors and construction applications. Steel plays a vital role in the modern world. Besides being one of the most important materials for building and infrastructure, steel is the enabler of a wide range of manufacturing activities. It also creates opportunities for innovative solutions in other sectors and is indispensable in research and development projects around the world. The steel industry plays an important role in connecting economies through its central position in global value chains. One of the most multi-functional and most adaptable material used across the globe and industries. Steel industry is one of the essential industries for the development of any community. In fact, it is really the base for many industries that could not have been established without the steel industry.

**Key economic and social impact of the global steel industry**

**Indirect impact**

For every \$1 of value that is



**The steel industry plays an important role in connecting economies through its central position in global value chains. One of the most multi-functional and most adaptable material used across the globe and industries. Steel industry is one of the essential industries for the development of any community.**



added in the steel industry, a further \$2.50 of value-added activity is supported across other sectors of the global economy, because of purchases of raw materials, goods, energy, and services.

For every two jobs in the steel sector, 13 more jobs are supported throughout its global supply chain. Over 40 million people work within the global steel industries supply chain.

**Direct impact**

The steel industry directly employs over 6.1 million people. The global steel industry facilitates 49.3 million jobs in the customer sectors and 96 million jobs across the globe.

As a permanent material which can be recycled over and over again without losing its properties, steel is fundamental to a successful circular economy. Severely affected by the COVID-19 pandemic, the global steel industry showed a sharp decline in 2020, but with the recovery of the global economies and industries, the sector has seen a stronger than expected recovery in 2021.

The year 2021 witnessed a steady rise in steel demand at 2.7% and touched 1.83 billion as recovery from the pandemic was stronger than expected in a number of regions. Valued at around US\$ 1,092 billion in 2020, the global steel industry is expected to grow at a CAGR of 3.9% over the next decade.

**Indian steel industry overview**

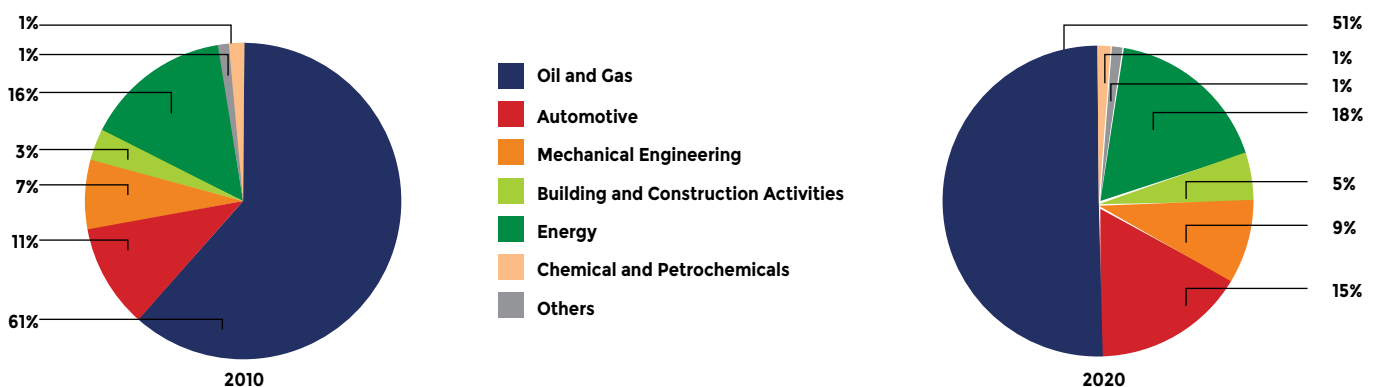
The second largest steel producer in the world, the Indian steel industry has entered into a new development stage thanks to the deregulation, resurgence of the economy post pandemic and rising demand for steel. The Indian steel industry is being majorly dominated by private players who contribute nearly ~81% of the crude steel production, and rest by government-owned enterprises. Accounting for ~5.9% of global steel production and 3.1% of global exports, the Indian steel industry employs nearly half a million people directly and about 2 million indirectly and contributes over 2% to the country's GDP.



**The year 2021 witnessed a steady rise in steel demand at 2.7% and touched 1.83 billion as recovery from the pandemic was stronger than expected in a number of regions. Valued at around US\$ 1,092 billion in 2020, the global steel industry is expected to grow at a CAGR of 3.9% over the next decade.**



**Changing composition of Indian Steel and iron pipes Industry**



(Source: CareRatings, Steel Industry report, July 2021)

India's total steel production in 2021 stood at 118.1 MT compared to 100.3 MT, an increase of 17.8% compared to the previous year. Despite being hit by the lack of construction activities due to covid-19 for a year, the steel industry has bounced back and had reported a 25.6% growth in crude steel production in the first eight months of 2021. In FY22, demand for steel is expected to have expanded by 17% to 110 million tonnes, driven by rising construction activities. In FY22 (until February 2022), exports and imports of finished steel in India stood at 12.2 MT and 4.3 MT, respectively.

Although the per capita steel consumption is still one of the lowest compared to the developed nations, the government has taken various measures to boost the Indian steel industry such as the introduction of National Steel Policy 2017 and allowing 100% Foreign Direct Investment (FDI) in the steel sector under the automatic route. According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000-December 2021, Indian metallurgical industries attracted FDI inflows of US\$ 16.1 billion. India is the third-largest manufacturing hub of steel pipe in the world and steel pipes constitute 8 to 10% of the steel consumption.

### Sector wise demand drivers for the Indian steel industry

Infrastructure and construction

#### industry

- Demand expectation largely from Government infrastructure projects such as Sagarmala (8.5 lakh crore investment) and Bharatmala (34,800 km of road & 5.3 lakh crore investment) is likely to drive demand.
- Several other Govt. of India missions / projects, such as 100 smart cities, Urja Ganga Gas Pipeline, Nal Se Jal, AMRUT, NIMZs, and Jal Jeevan Mission among others, are expected to boost demand.
- The Indian infrastructure industry is expected to increase to 11% in 2025-26. Since the construction industry is a major consumer of steel, expansion across the industry will translate into the growth of the steel sector.
- Real estate sector under stress from excess inventory is likely to see growth, especially in affordable housing segment in coming years

#### Capital goods

- Demand for capital goods dropped significantly during the pandemic period, however the industry has showing a V shaped recovery
- Heavy equipment manufacturing forms a significant consumer of steel followed by other process plant equipment. This sector is dependent on construction, mining, and



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heavy and light industries for fuelling its growth. The government investments in boosting up the country's infrastructure is likely to catalyse further growth in this sector.

- Sector is consumer dependent and is expected to grow with raising per capita GDP, increasing disposable income and favourable population composition

#### Automobile

- In spite of COVID 19, wholesale volumes in post the lockdown period continued to improve across segments (except CVs) on pickup in retails and OEMs' efforts to normalize dealer inventory levels
- Wholesale volumes reported by the leading carmakers have shown steady growth post August 2020.
- GOI announced the Automotive Mission Plan 2016 - 26 (AMP 2026) aimed at sustained automotive growth will in turn sustain steel demand

#### Consumer durables

- This sector witnessed a sharp decline since the spread of pandemic due to lockdowns, post which it is showing a V shaped recovery, which is likely to boost demand

#### Indian steel pipes industry

India's steel pipe industry is one of the key sectors in the infrastructure development of our country. From the extension of pipelines for river interlinking to supplying water for irrigation to providing drinking water to every household, the Indian steel pipes industry plays a critical role in the nation's development.

Contributing nearly 8% to the overall steel demand of India, the industry has grown rapidly in the recent years, with demand emanating from domestic water infrastructure, oil exploration and transportation, construction, irrigation, infrastructure, and expansion of gas pipelines such as national gas grid and city gas distribution. While the covid-19 pandemic has caused certain disruptions, the industry witnessed a V-shape recovery post the removal of restrictions and surpassed pre-covid levels.



### GOI announced the Automotive Mission Plan 2016 - 26 (AMP 2026) aimed at sustained automotive growth will in turn sustain steel demand



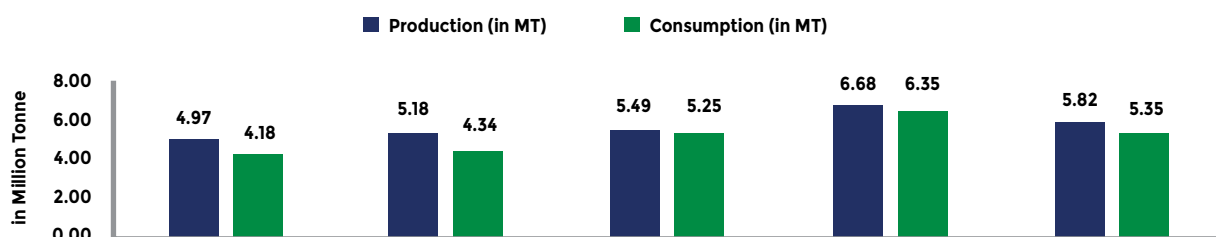
Estimated to be valued at around ₹60,000 crore, the industry witnessed double-digit over the last four years and is expected to grow at 7% - 8% till 2023.

Demand for steel pipes from structural pipes is expected to grow by 3x and demand for 4 MT steel pipes is expected to arise from the oil and gas sector by 2023.

#### Changing industry dynamics

The domestic demand for iron and steel pipes has gone through a paradigm shift with new verticals and novel applications of steel pipes coming up with the time. The below pie chart presents the evolution of demand from 2010 to 2020.

#### Production and consumption of steel pipes in India



(Source: CareRatings, Steel Industry report, July 2021)

Although the percentage share of demand coming from oil & gas may seem reduced over the last decade, but has been compensated by the growth in other sectors. Increasing usage of steel pipes in automotive and India's changing energy mix has led to the increase in demand share of steel pipes on these fronts. Also, the increase in usage of steel pipes in railways, furniture, platforms, fencing in malls, and other new applications in the construction industry has also changed the dynamics to some extent. According to Petroleum and Natural Gas Regulatory Board (PNGRB), the energy mix of India is going to change, further benefitting the demand for steel pipes.

### Key demand drivers

Consolidation in the industry

GST has emerged as a big leveller, in the post GST era, as the unorganised players are increasingly finding it difficult to gain advantage on the price. Now with the disruptions caused by the pandemic, the small and regional unorganised players found it difficult to sustain with rising debt and weak cash flow. This is likely to provide the established organised players with opportunities to acquire regional players at lower valuation.

### Government initiatives

The Government schemes such as Housing for All by 2022, "Nal se Jal" by 2024, project AMRUT & Swachh Bharat Mission,



National Rural Drinking Water Programme, among others augurs well for the PVC pipe industry. These schemes aim at cleanliness, providing basic services, such as Water Supply and Sanitation (WSS), and ensuring that every household has access to a tap with assured water supply and a sewerage connection.

### Replacement of ageing pipes

India's traditional piping system used in the cities and buildings are getting older and corroded, reducing its stability. Therefore, in near future there is expected to be a great overhaul of the entire piping system.

### Growing demand from the oil sector

India is embarked on achieving a USD 5 trillion economy with healthy growth expected over the next few years. Oil is synonymous with growth, and for a growing economy self-dependence on oil is extremely critical. Oil demand in India is expected to grow at a CAGR of ~4% to reach 11.1 million barrels per day from 2020 to 2045. To match the increasing demand for oil, the oil sector is expected



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to witness revival in capex to garner the required supply growth, which brings in several opportunities for the Indian pipe manufacturers.

### Rising demand from the Indian gas sector

Another major demand centre for pipes is natural gas transportation and distribution industry. As per PNGRB, the 9<sup>th</sup> and 10<sup>th</sup> round of bidding for city gas distribution organized in late 2018 covered 50.61% population spread over 41.74% of the geographical area and is expected to require 1.74 lakh inch-km of the pipeline. Out of this 1.74 lakh inch-km requirement, 75,224 inch-km has already been laid till September 2020. Also, a total of 16 projects for new gas pipelines or extension of the current pipeline network have been authorized by the government in FY20 and H1FY21 which is approximately 9,000 km of pipelines and is expected to be completed within the next 3 years. Though India is taking steps to increase oil and gas production, the focus is more on the development of midstream, refineries, and petrochemicals infrastructure for greater processing, transport, and storage.

### New demand from the water transportation industry

India's per capita availability of water stands at only 1,544 Cubic Meter (m<sup>3</sup>) which is primarily because the population contributes to 17% of the global population but has only 4% of

freshwater resources. As the demand for water increases, a study by GOI suggests that the demand is expected to be twice that of supply by 2030. To address this growing demand, the government has come up with the interlinking of rivers project which aims to build 30 river links to connect 37 rivers across the nation through a network of over 3,000 storage dams to form a gigantic South Asian Water Grid.

This project is expected to create a huge demand of HSAW pipes and ductile iron pipes. While the government's Jal Jeevan mission aims to provide functional tap connection to every rural household. Further, the AMRUT scheme aims at enhancing sewage treatment capacities and providing assured water supply to the urban household. Both these policy initiatives combined are expected to boost the demand for ERW, DI, and HSAW pipes.

Union Budget 2022 allocation for the Indian Steel Pipes Industry

- India's finance minister Nirmala Sitharaman laid special emphasis on the government's flagship - Har Ghar Nal se Jal, a scheme to provide tap water to the rural household by allocating a 20% increase in allocation under this scheme. The allocation of Rs 60,000 crore has been made to cover 38 million households in 2022-23.
- The government's

enhanced focus on National Infrastructure Pipeline (NIP) is another major boost for the piping industry

- The Prime Minister announced the target of 'One nation, one gas grid' in which the natural gas grid is expected to expand by 17,000 km taking the total length of pipelines to 34,500 Km by 2025. Efforts to move towards a gas-based economy along with the impetus on implementation of city gas distribution networks is going to be a major driver for the demand in the pipe sector

### Business and Company overview

Hi-Tech Pipes Limited (hereafter to be referred to as the Company) is one of the largest



**A total of 16 projects for new gas pipelines or extension of the current pipeline network have been authorized by the government in FY20 and H1FY21 which is approximately 9,000 km of pipelines and is expected to be completed within the next 3 years.**



steel pipes manufacturers in India with a diversified product portfolio catering to various sectors and industries including all reputed public sector undertakings. Engaged in the manufacturing of steel products like steel tubes and pipes like hollow sections, CR sheets, and strips, galvanized coils and metal crash barriers, the Company is a market leader in the crash barrier segment. With the success in the piping segment, the Company recently forayed into the solar structures segment. With a focus on manufacturing quality and specialized products that meet the requirements of its customers, the Company's vision is to emerge as the number one player in India. With a keen eye on quality, the Company has imbibed the use of advanced and state-of-the-art technologies across its manufacturing units.

### **Strong brand image and PAN India distribution network**

Superior quality, customization, durability, and competitive pricing of products makes the Company a desired supplier to reputed Indian business houses like L&T, NHAI, EIL, BHEL, DMRC, PGCIL, AAI, MMRDA, PWD, MES, UP Jal Nigam and RIL among others. The Company has managed to establish a highly integrated, ever-expanding distribution network, built across 3 decades of prominence in the industry. This network comprises more than 390 distributors and dealers, and 590+ SKUs spread across India. Transparency and mutual trust with the country's

leading architects, builders, and contractors, along with superior product quality has accelerated the Company's global brand presence. The Company has successfully completed 125+ projects in India, lately emerging as a celebrated brand in more than 17 states in the country.

### **Outlook**

With an aspiration to reach a total installed capacity of 1 million MT by 2024, the Company is working towards regularly enhancing its production capacity. Creating a brand name within its industry space which is well respected not only in India but also in



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international markets is also a focus area of the Company. The recent focus of the government on some of the key industries is likely to drive the growth of the industry. The growing importance of water management in India is likely to catalyze the future growth of the industry.

### **Risk Management**

The Company has an effective risk management framework in place to primarily control business and operational risks. The major risk areas are periodically and systematically reviewed by the senior management and risk-management committee. Comprehensive policies and procedures help identify, mitigate and monitor risks at various levels. Further, the Company remains vigilant to the opportunities and will not hesitate to exploit them provided the Company can do so by eliminating any risk to our capital. The Company have also initiated a comprehensive review of risk for its business by an external agency. Their mandate is to recommend to the Board a risk management matrix and possible controls. By taking such proactive measures, the Company ensures that strategic business objectives are achieved seamlessly.

### **Human resources**

The human resource division of the company plays a vital role in hiring, training, managing and retaining employees to build a group of talented workforces. So that they can reach their full



**The Company has created a level playing field space, whereon equal opportunities to all employees is provided. With this belief, it has enhanced employee morale, boosted productivity and reduced people absenteeism. The Company's industrial relations continue to be friendly throughout the year by adhering to the best safety standards at manufacturing units.**



potential and work diligently towards the growth of the organization. The Company has created a level playing field space, whereon equal opportunities to all employees is provided. With this belief, it has enhanced employee morale, boosted productivity and reduced people absenteeism. The Company's industrial relations continue to be friendly throughout the year by adhering to the best safety standards at manufacturing units. The Company had also set up seminars and workshops for its workforce for their development and to equip them to adapt to the fast-changing environment. As of March 31, 2022, the Company had 1000+ employees on its payroll.

#### **Internal controls and their adequacy**

Hi-Tech Pipes Limited has in place an adequate system of internal control procedures. It is committed to good corporate governance practices and

has well-defined systems and processes covering all the corporate functions and units. The internal Audit processes ensures all the assets are safeguarded and protected against loss. Furthermore, all the transactions are authorised, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee.

#### **Cautionary Statement**

Some of the statements in this Management Discussion and Analysis, describing the company's objectives, projections, estimates and expectations, may be 'forward looking statements' within the meaning of applicable Laws and Regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the company's operations include changes in economic conditions affecting demand, supply and price movements in the domestic and overseas markets in which your company operates, changes in the Government regulations, Tax Laws and other Statutes or other incidental factors. The company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in the future.





# **MANAGEMENT REPORT**

# DIRECTORS' REPORT

To  
**The Members,**

Your Directors are pleased to present the 38th Directors' Report of the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

## 1. FINANCIAL SUMMARY OR HIGHLIGHTS

The Company's Financial Performance for the Financial Year ended March 31, 2022 is summarized below:

(₹ in Lakhs except EPS)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
Net Revenue from Operations	1,51,188.85	1,02,648.72	1,87,884.73	1,34,063.35
Other Operating Revenue	-	-	-	-
Other Income	93.67	79.71	93.67	79.71
Operating Profit before Finance Costs, Depreciation, Tax	7,502.93	5,197.16	10,145.5	7,160.05
Less: Depreciation and amortization expenses	720.40	655.38	966.24	832.27
Finance Cost	2,690.68	2,525.64	3,647.00	3,228.68
Profit before Tax and Exceptional Expenses	4,091.86	2,016.14	5,532.26	3,099.11
Less: Tax Expenses	1,104.68	512.50	1,499.64	818.82
Net Profit for the Year from Continuing operations	2,987.18	1,503.63	4,032.62	2,280.29
Net Profit for the Year from Discontinued Operations	-	-	-	-
Profit for the year	2,987.18	1,503.63	4,032.62	2,280.29
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year, net of tax	2,987.18	1,503.63	4,032.62	2,280.29
<b>Earning per equity share (Face Value of ₹10 each)</b>				
- Basic	25.01	13.75	33.77	20.85
- Diluted	24.96	12.50	33.70	18.96

2. During the Financial Year 2021-22, revenue from operations on standalone basis increased to ₹ 1,51,188.85 Lakhs as against ₹ 1,02,648.72 lakhs in the previous year- a growth of 47.29%.

The profit after tax for the current year is ₹ 2987.18 lakhs against ₹ 1,503.63 lakhs in the previous year a increase of 98.66%.

On a consolidated basis, the group achieved revenue of ₹ 1,87,884.73 lakhs as against ₹ 1,34,063.35 lakhs – an increase of 40.15%. Net profit for the current year is ₹ 4,032.62lakhs against ₹ 2,280.29 lakhs in the

previous year – an increase of 76.85%.

### REASON OF REMARKABLE PERFORMANCE:

This remarkable performance of the Company in Fiscal Year 2021-22 is based on the following factors:

- 1) EBIDTA/ton improved in FY22 led by improvement in sales realisation
- 2) Increase in Contribution from Value Added Products
- 3) Better Realisation

### 3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'S AFFAIRS

Your Company is one the largest company in the segment with the widest range of products, instrumental in laying a sound infrastructure for the development of the Nation. Hi-Tech has been in existence for over three decades rolling out the best of the steel pipes and its allied products. These certified products have touched the lives of millions of people in myriad ways. Our products are used in multiple sectors including Infrastructure, Constructions, Automobiles, Energy, Agriculture, Defense, Engineering & Telecom.

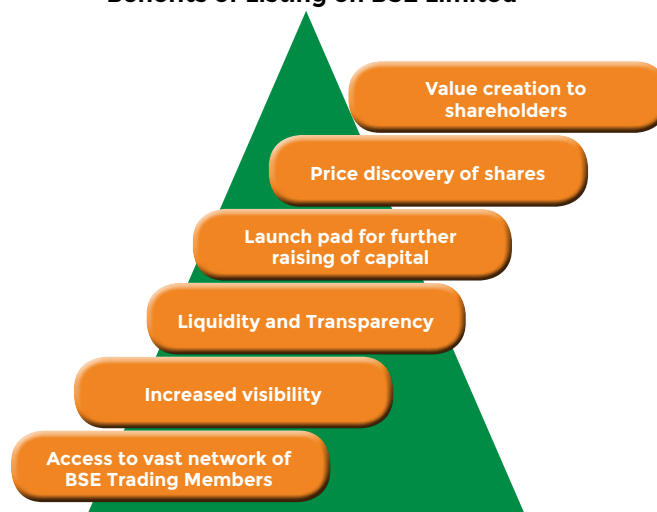
The second wave of Covid-19 pandemic had struck like a storm throughout the country as a result of which partial/complete lockdown, curfews and strict restrictions had been imposed in many parts of the Country. The entire economic activity was once again severely impacted with the closure of offices and shops. Through this pandemic period, the focus of the company immediately shifted to ensuring the health and well being of the employees and work from home was enabled to close to 90 percent of employees to work remotely and securely.

During the year under review, your Company has achieved an another milestone and added it in the history of the company. Your directors and Management of the Company feels so proud to announce that the company has marked its presence on one of the oldest Stock Exchange of the country having Nationwide Trading Terminal i.e. **BSE Limited**.

BSE Limited vide its Notice No. 20211214-54 had given its Final Trading Approval for Listing and Trading of Equity Shares of the Company. Effective from Thursday, **December 16, 2021**, the equity shares of the Company had been listed and the Trading Members of the Exchange was permitted to do business in the equity shares of the Company. We feel so proud to mark our presence on the country's two premier Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

Your Company has added new Value Added Products in the Portfolio. The Company has started commercial production of CGL (Continuous Galvanizing Line) and Galvanized Corrugated

#### Benefits of Listing on BSE Limited



Roofing Sheets. The launch of this product will enable the company to penetrate in the Indian Roofing Industry and expected to contribute to the company's topline meaningfully in the coming period. With this new product addition, the company has a well-established portfolio of eleven products and cater to industries like Automobile, Capital Goods, Consumer Goods, Agriculture, Water Management, Commercial Buildings, Housing, Airports, Metros, Roads & Highways, Roofing etc.

Your Company has upgraded its tube mill installed at its Sikandrabad facility to manufacture the Value Added Proucst. This will help to increase the share of Value Added Products in the portfolio basket of the Company.

Your Company has successfully registered its products in the prestigious High Speed Bullet Train Project (Ahmedabad to Mumbai). Moreover, the company has also started supplying Jumbo MS Hollow Sections (Hi-Tech Bahubali) to the various prestigious projects. Also, the company won various Government Tenders under the "Jal Jivan Mission" Projects of the various State Governments.

#### Future Prospects:

The company is focused to actively improve the capacity utilisation of the existing plants and to increase the proportion of Value Added Products as the company has a clear vision to reach 1 (One) Million Ton Capacity from Current 5.8 Lakhs Tons.

The Company has taken a new initiative and aggressively working towards corporate and product branding activities on various social media

platform and we are very optimistic that this will surely benefitted the company in achieving better connection with stakeholders and improve brand image of company in the years to come.

Further information on the Business overview of the Company is discussed in detail in the Management Discussion & Analysis.

#### 4. DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹ 0.50/- per Equity Share for the financial year 2021-22. The proposed dividend is, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company and, would result in appropriation of ₹ 61.35 Lakhs approximately. The dividend would be payable to all those Shareholders whose names appear in the Register of Members as on the Book Closure Date. The Register of Members and Share Transfer books shall remain closed as per the schedule given in notice of Annual General Meeting.

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has Dividend Distribution Policy and the same is available on our website and can be accessed at [https://hitechpipes.in/wp-content/uploads/2022/07/Dividend\\_Distribution\\_Policy\\_HI-TECH.pdf](https://hitechpipes.in/wp-content/uploads/2022/07/Dividend_Distribution_Policy_HI-TECH.pdf)

#### 5. CONSOLIDATED FINANCIAL STATEMENTS OF SUBSIDIARY & ASSOCIATE COMPANY

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements (CFS) of the Company for the financial year 2021-22, together with the Auditors' Report form part of this Annual Report.

In compliance with Section 129 (3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014. A statement is annexed containing the salient features of financial statements of subsidiaries/joint venture companies of the Company in the prescribed Form AOC - 1 (**ANNEXURE-1**).

The said Form also highlights the financial performance of each of the subsidiaries included in the CFS of the Company pursuant to Rule 8(1) of the

Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except, Sundays and public holidays upto the date of the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the CFS, and all other documents required to be attached to this report have also been uploaded on the website of the Company at [www.hitechpipes.in](http://www.hitechpipes.in)

List of Wholly Owned Subsidiary Companies are as follows:

- ✦ HTL Metal Private Limited
- ✦ HTL Ispat Private Limited
- ✦ Hitech Metalex Private Limited

Note: The financial statements of all the Wholly Owned Subsidiary Companies are available at the Website of the Company i.e. [www.hitechpipes.in](http://www.hitechpipes.in).

The Company do not have any joint venture or associate company as on March 31, 2022.

#### SHARE CAPITAL

The Member had approved the allotment of Convertible Warrants by passing Special Resolution dated January 05, 2021 in pursuance of which the Securities Allotment Committee of the Company have allotted 13,70,000 Fully Convertible Warrants to the persons belonging to the Promoter, Promoter Group and Non Promoter group category.

The status of conversion as on 31<sup>st</sup> March, 2022 is as follows:

Out of total 13,70,000 Fully Convertible Warrants, 10,65,000 Fully Convertible Warrants has been converted into equal no. of 10,65,000 equity shares upto 31<sup>st</sup> March, 2022 and 2,80,000 was converted in FY 2021.

Further to above allotment, the Paid-up Share capital of the Company has increased from ₹11,20,61,000 as on 31<sup>st</sup> March, 2021 to ₹12,27,11,000 as on 31<sup>st</sup> March, 2022.

During the year under review, there is no change in Authorized Share Capital of the Company, which is ₹ 14,00,00,000 (Rupees Fourteen Crores only) divided into 1,40,00,000 Equity Shares of ₹10/- each

## 6. MATERIAL CHANGES AND COMMITMENT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

## 7. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

During the year under review, there were no changes in the Directors of the Company.

During the year under review, there was no change in the Key Managerial Personnel. In terms of section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company as on 31/03/2022 are as follows:

S. No.	Key Managerial Personnel	Designation
1.	Mr. Ajay Kumar Bansal	Managing Director
2.	Mr. Anish Bansal	Whole-Time Director
3.	Mr. Arvind Bansal	Chief Financial Officer
4.	Mr. Arun Kumar	Company Secretary & Compliance Officer

## 8. BOARD OF DIRECTORS

The detail description about the board and its composition is discussed in the Corporate Governance section forming part of this Annual Report.

### DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:

As prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder, as well as clause (b) of sub-regulation (1) of Regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence. Further in terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

## NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

4 (Four) meetings of the Board of Directors were held during the financial year 2021 – 22. The details of the meetings of the Board of Directors of the Company convened during the financial year 2021-22 are given in the Corporate Governance Report which forms part of this Annual Report.

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in terms of Articles of Association of the Company, Mr. Ajay Kumar Bansal will retire at the ensuing Annual General Meeting (AGM) and being eligible, will offer himself for reappointment.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 is available at the website of company and can be accessed at <https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/PolicyonNominationandRemunerationCommittee.pdf>

## DIRECTORS AND OFFICERS INSURANCE

Pursuant to the provisions of Regulation 25(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with corrigendum w.e.f. 01.01.2022, the top 1000 listed entities by market capitalisation calculated as on March 31 of the preceding financial year, shall undertake Director and Officers Insurance ( 'D and O Insurance) for all their independent directors of such quantum and for such risks as may be decided by its board of directors.

The Company was in the list of Top 1000 Companies at NSE as at March, 2021, hence complying with the provisions of the above regulation your Company

has taken a D and O Insurance cover from Tata AIG General Insurance Company Ltd. For a policy period of one year which gives a coverage against claims upto ₹ 1,00,00,000

## 9. COMMITTEES OF THE BOARD

A detailed note on the Board and its Committees is provided in the "Report on Corporate Governance" forming part of this Annual Report. As on March 31, 2022, the Board has the following standing Committees:

### MANDATORY COMMITTEES

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Corporate Social Responsibility Committee
- iv. Stakeholders' Relationship Committee
- v. Risk Management Committee

### NON-MANDATORY COMMITTEES

- i. Executive Committee
- ii. Securities Allotment Committee
- iii. Internal Complaints Committee

For details, the terms of reference, meetings held during the year, membership and attendance of the members at the meetings of the above Committees of the Board, kindly refer to the "Report on Corporate Governance" forming part of this Annual Report.

## 10. MEETING OF INDEPENDENT DIRECTORS

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Meeting of the Independent Directors of the Company was also held on 20<sup>th</sup> January, 2022, without the presence of non-independent directors and members of the management, to review the performance of non-independent directors and the Board as a whole, the performance of the Chairperson of the company and also to assess the quality, quantity and timeliness of flow of information between the company management and the Board.

The results of the above evaluation, assessment etc. was found satisfactory to the Independent Directors.

## 11. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5)

of the Companies Act, 2013, the Board hereby submits its responsibility Statement:-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 12. EXTRACT OF THE ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 forms part of the Directors' Report and is annexed herewith as "**ANNEXURE-2**" and is also accessible at company's website [https://hitechpipes.in/pdf/Annual%20Report/Extract\\_of\\_Annual\\_Return\\_FY22.pdf](https://hitechpipes.in/pdf/Annual%20Report/Extract_of_Annual_Return_FY22.pdf) [https://hitechpipes.in/pdf/Annual%20Report/Extract\\_of\\_Annual\\_Return\\_FY22.pdf](https://hitechpipes.in/pdf/Annual%20Report/Extract_of_Annual_Return_FY22.pdf)

## 13. AUDITORS AND THEIR REPORTS

### STATUTORY AUDITOR:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. A.N. Garg & Co,

Chartered Accountants (ICAI Firm Registration No. 004616N) New Delhi, were appointed as Statutory Auditors of the company to hold office for a term of 5 consecutive years from conclusion of the 33rd Annual General Meeting (AGM) of the Company held on 25th September, 2017 till the conclusion of the 38th AGM of the Company to be held in the year 2022 subject to ratification of the appointment by the members at each AGMs. However, the provision relating to ratification of such appointment by Members at every Annual General Meeting stands deleted w.e.f. May 07, 2018 by the Companies (Amendment) Act, 2017 and accordingly the said ratification is henceforth not required.

The Company has received Auditors Report from M/s A.N. Garg & Co, Chartered Accountants on Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2022 which is self-explanatory and do not have any qualifications or adverse remarks.

#### **SECRETARIAL AUDITORS AND THEIR REPORT**

The Board of Directors of the Company in its board meeting held on 14.05.2022 has appointed NSP & Associates, Practicing Company Secretary (Certificate of Practice No. 10937), as the Secretarial Auditor to conduct an audit of the secretarial records of the Company for the financial year 2022-23.

The Company has received consent from NSP & Associates to act as the auditor for conducting audit of the secretarial records of the Company for the financial year ending 31st March, 2023.

The Secretarial Audit Report of the Company together with Secretarial Audit Report of its Material Subsidiary i.e. HTL Metal Pvt. Ltd. for the financial year ended 31st March, 2022 under Companies Act, 2013, read with Rules made thereunder and Regulation 24A of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **ANNEXURE-3 & 3A** to this report.

Further in terms of SEBI Regulations/circulars/guidelines issued thereunder and pursuant to requirement of Regulation 24A of Listing Regulations, the Annual Secretarial Compliance Report for the financial year ended 31st March, 2022, in relation to compliance of all applicable laws is attached as **ANNEXURE-3B** and also uploaded on the website of the Company.

There has been no qualification, reservation or adverse remarks made by Secretarial Auditor.

#### **COST AUDITORS**

The Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Act, and accordingly such accounts and records are made and maintained in the prescribed manner and also the Audit of the cost records is being conducted.

The Board of Directors of the Company in its meeting held on 14 May, 2022, on the recommendations made by the Audit Committee, has appointed M/s. S. Shekhar & Co., Cost Accountants, (Firm Registration No. 000452) as the Cost Auditor of the Company to conduct the audit of cost records of certain products for the financial year 2022 - 23 at a remuneration of 50,000/-. As required under the Companies Act, 2013, the remuneration payable to the cost auditors is required to be placed before the members, for ratification. Accordingly a resolution seeking such ratification will form part of the Notice convening the AGM. The Board recommends the ratification of remuneration of cost auditors of the company.

In terms of Section 148 of the Companies Act, 2013, the company had appointed M/s S. Shekhar & Co. Cost Accountants as the Cost Auditors of the Company to audit the Cost records for the FY 2021-22, M/s S. Shekhar & Co. Cost Auditors shall submit their report to the company in due course of time which will be filed with Ministry of Corporate Affairs (MCA).

#### **14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loans, guarantees and investments covered under Section 186 of the Act read with the Companies (Meetings of Board and its powers) Rules, 2014, as on 31st March, 2022 are given in Note No. 06 to the Financial statements forming part of this Annual report.

#### **15. RELATED PARTY TRANSACTIONS**

During the financial year 2021-22, the Company entered into transactions with related parties as defined under Section 2 (76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length



basis and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

Further, there were no transactions with related parties which qualify as material transactions in accordance with policy of the company on materiality of related party transactions. Therefore, disclosure in Form AOC-2 is not applicable. All transactions with related parties approved by the Audit Committee and were reviewed thereafter and are in accordance with the Policy on Related Party Transactions of the Company.

The details of the related party transactions as per Indian Accounting Standards (Ind AS) - 24 are set out in Note 35 to the Standalone Financial Statements of the Company.

The policy on Related Party Transactions is available on the website of the Company at <https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy%20on%20dealing%20with%20Related%20Party%20Transactions.pdf>

## 16. DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, there are no unclaimed or unpaid deposits lying with the company for the year under review.

## 17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on Company's operational performance, industry trends and other required details prepared in compliance of Regulation 34 of the Listing Regulations forms part of this Annual Report.

## 18. BUSINESS RESPONSIBILITY REPORT

In compliance of Regulation 34 of the Listing Regulations, the Business Responsibility Report for the year under review is presented in separate section forming part of this Annual Report.

## 19. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of:

Name of the Members	Status	Nature of Directorship
Mr. Anish Bansal	Chairman	Whole Time Director
Mrs. Neerja Kumar	Member	Non-Executive Independent Director
Mr. Ajay Kumar Bansal	Member	Managing Director

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **ANNEXURE-4** of this report.

The CSR Policy has been uploaded on the company's website and same may be accessed at the link given hereunder:

<https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/CSR-Policy.pdf>

## 20. DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

Details pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed herewith as **ANNEXURE-5**.

## 21. CORPORATE GOVERNANCE

The Directors adhere to the requirements set out by Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed, secretarial compliances, reporting, intimations etc. under the Companies Act, 2013, Listing Agreements and other applicable laws, rules and regulations are noted in the Board/Committee meeting from time to time. The Company has implemented several best Corporate Governance Practices as prevalent globally.

The Corporate Governance Report as stipulated under Regulation 34(3) and other applicable Regulations read with Part C of Schedule V of SEBI (LODR), 2015 forms part of this report.

## 22. RISK MANAGEMENT

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner.

The Company's Risk Management Policy helps organisations to put in place effective frameworks for taking informed decisions and to achieve more robust risk management. The Key Objective of the Risk Management Policy which is aimed at creating and protecting Shareholders value by minimizing threats and losses and identifying and maximizing opportunities.

The Company has a committee of the Board, namely, the Risk Management Committee, which was constituted with the overall responsibility of overseeing and reviewing risk management across the Company. The terms of reference of the Risk Management Committee and Company's Policy on Risk Management can be accessed at [https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/RISK%20MANAGEMENT%20POLICY\\_Hitech%20Pipes.pdf](https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/RISK%20MANAGEMENT%20POLICY_Hitech%20Pipes.pdf)

The Risk Management Committee comprises of:

Name of the Members	Status	Nature of Directorship
Mr. Anish Bansal	Chairman	Whole Time Director
Mr. Ajay Kumar Bansal	Member	Managing Director
Mr. Mukesh Kumar Garg	Member	Independent Director

### 23. FORMAL ANNUAL EVALUATION

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board has carried out the performance evaluation of all the Directors (including Independent Directors) on the basis of recommendation of Nomination and Remuneration Committee and the criteria formulated for the performance evaluation. The evaluation of the Board and of the various committees was made on the basis of the following assessment criteria:

- Adequacy of the constitution and composition of the Board and its Committees
- Understanding of the Company's principles, values, philosophy and mission statement
- Matters addressed in the Board and Committee meetings
- Effectiveness of the Board and its Committees in providing guidance to the management of the Company
- Processes followed at the meetings
- Board's focus, regulatory compliances and

### Corporate Governance

The performance of the Committees was also evaluated by the members of the respective Committees on the basis of the Committee effectively performing the responsibility as outlined in its Charter/Terms of reference. Similarly, the evaluation of the Independent Directors and other individual Directors' performance was made by the entire Board, on the basis of the following assessment criteria:

- Attendance and active participation in the Meetings
- Contribution in Board and Committee Meetings
- Execution and performance of specific duties, obligations, regulatory compliances and governance

The Board members had submitted their response for evaluating the entire Board and respective Committees of which they are members.

### 24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the period under review, no material order has been passed by any Regulator or Court Apart from above an except to the extent as may be mentioned in Notes to Accounts attached to the Financial Statements forming part of this Annual Report no other Material order were passed by the Regulator or Court.

### 25. WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the requirements of the provisions of Section 177 of the Act read with Regulation 22 of the Listing Regulations, the Board has established a vigil mechanism for Directors, employees and other stakeholders to disclose instances of wrongdoing in the workplace and report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Policies. The policy is available on the website of the Company at [http://www.hitechpipes.in/pdf/Codes%20and%20policies%20P1/Vigil\\_Mechanism\\_Policy.PDF](http://www.hitechpipes.in/pdf/Codes%20and%20policies%20P1/Vigil_Mechanism_Policy.PDF)

### 26. POLICY ON PROTECTION OF WOMEN FROM SEXUAL HARASSMENT

The Company has always endeavoured for providing a better and safe environment, free of sexual harassment at all its work places. The Company has in place a robust policy on Protection of Women from

Sexual Harassment in line with the requirements of the Sexual Harassment of Woman at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Policy applies to, in relation to a workplace, a woman, of any age whether employed or not, all categories of employees of the company, including permanent, management, workmen, trainees, probationers and contract employees of all cadres at its workplace or outside on official duty.

An Internal Complaints Committee (ICC) has been set up to redress complaints received on sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Committee members are as mentioned below:

ICC Members	Designation
Ms. Neerja Kumar	Independent Director (CHAIRMAN)
Ms. Taruna Oberoi Kabra	Manager-Human Resource Department & Administration

During the year, no complaints on sexual harassment were received by the Committee.

## 27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Hi-Tech has adequate system of internal controls commensurating with the size of its operation and business, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all the business transactions are authorized, recorded and reported correctly and adequately.

Your Company has adopted procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

During the year, M/s. BAS & Co. LLP, Chartered

Accountants, appointed as the Internal Auditors by the Board of Directors of the Company. The audit scope and plans of internal audit are approved by the Board.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **ANNEXURE-6** and forms part of this Report.

## 29. ACKNOWLEDGEMENTS

The Board places on record its appreciation for the continued co-operation and support extended to the Company by its customers which enables the Company to make every effort in understanding their unique needs and deliver maximum customer Satisfaction. We place on record our appreciation of the contribution made by the employees at all levels, whose hard work, co-operation and support helped us face all challenges and deliver results. We acknowledge the support of our vendors, the regulators, the esteemed league of bankers, financial institutions, rating agencies, government agencies, stock exchanges and depositories, auditors, legal advisors, consultants, business associates and other stakeholders.

For and on behalf of  
The Board of Directors of Hi-Tech Pipes Limited

**Ajay Kumar Bansal**  
Chairman & Managing Director

New Delhi  
May 14, 2022

## FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate

(₹ in Lakhs)

S. No	Particulars	Name	Name	Name
1.	Name of the subsidiary	HTL Metal Private Limited	HTL Ispat Private Limited	Hitech Metalex Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR
4	Share capital (₹ In Lakhs)	236.00	50.00	1.00
5	Reserves & surplus	3845.54	412.71	-
6	Total assets	13540.09	7278.33	325.05
7	Total Liabilities	9458.54	6815.61	324.05
8	Investments	-	-	-
9	Revenue from operations	22550.36	15928.43	-
10	Profit before taxation	982.79	457.61	-
11	Provision for taxation	278.02	116.94	-
12	Profit after taxation	704.77	340.66	-
13	Proposed Dividend	NIL	NIL	NIL
14	% of shareholding	100	100	100

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Associates	Name
1	Latest audited Balance Sheet Date	-
2	Shares of Associate/Joint Ventures held by the company on the year end	-
	No	-
	Amount of Investment in Associates/Joint Venture	-
	Extend of Holding %	-
3	Description of how there is significant influence	-
4	Reason why the associate/joint venture is not consolidated	-
5	Networth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit / Loss for the year	-
	(i) Considered in Consolidation	-
	(ii) Not Considered in Consolidation	-

Note: The Company do not have associate companies or joint ventures during the reporting period.

## FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2022

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

CIN	L27202DL1985PLC019750
Incorporation Date	02/01/1985
Name of the Company	Hi-Tech Pipes Limited
Category of the Company Sub-Category of the Company	Company limited by Shares Non-Govt. Company
Address of the Registered office and contact details	505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi- 110034 Tel.No. - +91-11-48440050 <a href="mailto:info@hitechpipes.in">info@hitechpipes.in</a>
Whether Listed Company: Yes/No	Yes 1. National Stock Exchange of India Ltd. 2. BSE Limited*
Name, Address and Contact details of the Registrar and Transfer Agent, if any	<b>Bigshare Services Private Limited (Mumbai Office)</b> Bigshare Services Private Limited Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093. Tel. No.: 022-6263 8200 Fax: 91-22-2847 5207 For Investor queries/grievance E-mail: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Bigshare Services Pvt. Ltd. (Delhi Office)</b> 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019 Tel: 011- 42425004

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company:

S. No.	Name and description of main products/services	NIC Code of the Product/service	% of total turnover of the Company
1.	Steel Tubes & Pipes	24311	67%
2.	Flat Steel	24105	30%
3.	Engineered Products	24319	3%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	HTL Metal Private Limited 501, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi 110034	U27320DL2011PTC214435	Subsidiary	100	2(87)
2.	HTL Ispat Private Limited 501, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi-110034	U27100DL2011PTC214434	Subsidiary	100	2(87)
3.	Hitech Metalex Pvt. Ltd. CF 10, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi-110034	U27310DL2019PTC356455	Subsidiary	100	2(87)

### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) CATEGORY-WISE SHAREHOLDING

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2021				No. of Shares held at the end of the year : 31/03/2022				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group										
1	Indian									
a)	INDIVIDUAL / HUF	5933883	0	5933883	52.95	6209383	0	6209383	50.60	(2.35)
b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c)	BODIES CORPORATE	1068000	0	1068000	9.53	1068000	0	1068000	8.70	(0.83)
d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)									
1	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
2	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	7001883	0	7001883	62.48	7277383	0	7277383	59.31	(3.18)
(A) Shareholding of Promoter and Promoter Group2										
2	Foreign									
a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
(A) Shareholding of Promoter and Promoter Group2										
3	Non-institutions									
a)	ANY OTHERS (Specify)									
1	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Promoter Shareholding	7001883	0	7001883	62.48	7277383	0	7277383	59.31	(3.18)
(B) Public shareholding										
4	Institutions									
a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2021				No. of Shares held at the end of the year : 31/03/2022				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
b)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f)	FIIS	0	0	0	0.00	0	0	0	0.00	0.00
g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j)	FOREIGN PORTFOLIO INVESTOR	66087	0	66087	0.59	849	0	849	0.01	(0.58)
k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	66087	0	66087	0.59	849	0	849	0.01	(0.58)
(B) Public shareholding										
5	Non-institutions									
a)	BODIES CORPORATE	730008	0	730008	6.51	1447280	0	1447280	11.79	5.28
b)	INDIVIDUAL									
1	(CAPITAL UPTO TO ₹ 1 Lakh)	1300937	0	1300937	11.61	1401953	0	1401953	11.42	(0.18)
2	(CAPITAL GREATER THAN ₹ 1 Lakh)	1784528	0	1784528	15.92	1842128	0	1842128	15.01	(0.91)
c)	ANY OTHERS (Specify)									
1	HINDU UNDIVIDED FAMILY	150044	0	150044	1.34	208839	0	208839	1.70	0.36
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	CLEARING MEMBER	76671	0	76671	0.68	37618	0	37618	0.31	(0.38)
4	NON RESIDENT INDIANS (NRI)	95942	0	95942	0.86	55050	0	55050	0.45	(0.41)
7	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
8	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
9	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
10	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
11	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	4138130	0	4138130	36.93	4992868	0	4992868	40.69	3.76
	Total Public Shareholding	4204217	0	4204217	37.52	4993717	0	4993717	40.69	3.18
(C) Shares held by Custodians and against which Depository Receipts have been issued										
6	SHARES HELD BY CUSTODIANS									
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00

SR NO	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2021				No. of Shares held at the end of the year : 31/03/2022				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
	Total Public Share-holding	4204217	0	4204217	37.52	4993717	0	4993717	40.69	3.18
	GRAND TOTAL	11206100	0	11206100	100.00	12271100	0	12271100	100.00	0.00

**NOTE:**

**1) NAME, NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY**

Sr No.	Category	FolioNo/DPID-CLID	Shareholder's Name	Shares	Percentage Capital
1.	PROMOTERS	IN30236510986462	AJAY KUMAR BANSAL	1734177	14.76
2.	PROMOTERS	IN30236510985943	ANISH BANSAL	1066600	9.08
3.	RELATIVES OFDIRECTOR	IN30236510986542	PARVEEN BANSAL	1010206	8.60
4.	RELATIVES OFDIRECTOR	IN30236510986085	VIPUL BANSAL	987600	8.41
5.	CORPORATE BODIES (PROMOTER CO)	IN30236510997712	AKS BUILDCON PRIVATE LIMITED	552000	4.70
6.	RELATIVES OFDIRECTOR	IN30236510986735	SHWETA BANSAL	551200	4.69
7.	RELATIVES OFDIRECTOR	IN30236510992493	AJAY KUMAR & SONS	520800	4.43
8.	CORPORATE BODIES (PROMOTER CO)	IN30236510997704	HI-TECH AGROVISION PRIVATELIMITED	516000	4.39
9.	CORPORATE BODIES	1201090012564941	SAMARTH LIFE SCIENCES PRIVATELIMITED	311774	2.65
10.	PUBLIC	IN30290240805395	MAHESH DINKAR VAZE	300000	2.55
11.	RELATIVES OFDIRECTOR	1203800000089281	NARESH KUMAR BANSAL	188800	1.61
<b>TOTAL</b>				<b>7739157</b>	<b>65.89</b>



**ii) Shareholding of Promoters & Promoter Group**

SL No	Shareholder's Name	Shareholding at beginning of the year 01/04/2021			Shareholding at the end of the year 31/03/2022			
		No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	No of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total Shares	% Change
1	AJAY KUMAR BANSAL	1680677	15.00	0.50	1734177	14.13	0.24	(0.87)
2	ANISH BANSAL	1066600	9.52	0.00	1216600	9.91	0.00	0.39
3	PARVEEN BANSAL	1040206	9.28	0.00	1010206	8.23	0.00	(1.05)
4	VIPUL BANSAL	837600	7.47	4.00	987600	8.05	0.81	0.58
5	AJAY KUMAR & SONS	520800	4.65	0.00	520800	4.24	0.00	(0.41)
6	SHWETA BANSAL	551200	4.92	0.00	551200	4.49	0.00	(0.43)
7	NARESH KUMAR BANSAL	8800	0.08	0.00	188800	1.54	0.00	1.46
8	KUMUD BANSAL	48000	0.43	0.00	0	0.00	0.00	(0.43)
9	RICHI BANSAL	108000	0.96	0.30	0	0.00	0.00	(0.96)
10	KRATI BANSAL	72000	0.64	0.00	0	0.00	0.00	(0.64)
11	HI-TECH AGRO-VISION PRIVATE LIMITED	516000	4.60	0.00	516000	4.21	0.00	(0.39)
12	AKS BUILDCON PRIVATE LIMITED	552000	4.93	0.00	552000	4.50	0.00	(0.43)
TOTAL		7001883	62.483	4.8	7277383	59.31	1.06	(3.18)

iii) Change in Promoter's Shareholding

Sr. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2021)/ end of the year (31/03/2022)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	AJAY KUMAR BANSAL	1680677	15.00	31-Mar-2021			1680677	15.00
			14.62	30-Jun-2021	5,500	Buy	1686177	14.67
			13.74	28-Mar-2022	48,000	Buy	1734177	14.13
		1734177	14.13	31-Mar-2022			1734177	14.13
2	ANISH BANSAL	1066600	9.08	31-Mar-2021			1066600	9.08
			8.83	30-Sept-2021	1,00,000	Preferential Allotment	1166600	9.57
			9.55	22-Jan-2022	50,000	Preferential Allotment	1216600	9.91
		1166600	9.08	31-Mar-2022			1216600	9.08
3	PARVEEN BANSAL	1040206	9.28	31-Mar-2021			1040206	9.28
			8.52	05-Nov-2021	-30000	Sell	1010206	8.27
		1010206	8.23	31-Mar-2022			1010206	8.23
4	VIPUL BANSAL	837600	7.47	31-Mar-2021			837600	7.47
			7.29	06-July-2021	1,50,000	Preferential Allotment	987600	8.48
		987600	8.05	31-Mar-2022			987600	8.05
5	AKS BUILD-CON PRIVATE LIMITED	552000	4.93	31-Mar-2021			552000	4.93
		552000	4.50	31-Mar-2022			552000	4.50
6	SHWETA BANSAL	551200	4.92	31-Mar-2021			551200	4.92
		551200	4.49	31-Mar-2022			551200	4.49
7	AJAY KUMAR & SONS	520800	4.65	31-Mar-2021			520800	4.65
		520800	4.24	31-Mar-2022			520800	4.24
8	HI-TECH AGROVISION PRIVATE LIMITED	516000	4.60	31-Mar-2021			516000	4.60
		516000	4.21	31-Mar-2022			516000	4.21
9	RICHI BANSAL	108000	0.96	31-Mar-2021			108000	0.96
			0.00	28-Mar-2022	-108000	Sell	0	0.00
		0	0.00	31-Mar-2022			0	0.00
10	KRATI BANSAL	72000	0.64	31-Mar-2021			72000	0.64
			0.00	28-Mar-2022	-72000	Sell	0	0.00
		0	0.00	31-Mar-2022			0	0.00
11	KUMUD BANSAL	48000	0.43	31-Mar-2021			48000	0.43
			0.00	28-Mar-2022	-48000	Sell	0	0.00
			0.00	31-Mar-2022			0	0.00
12	NARESH KUMAR BANSAL	8800	0.08	31-Mar-2021			8800	0.08
			1.54	28-Mar-2022	180000	Buy	188800	1.54
		188800	1.54	31-Mar-2022			188800	1.54

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease (-) in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2021)/ end of the year (31/03/2022)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	MAHESH DINKAR VAZE	340000	3.03	31-Mar-2021	0		340000	3.03
			2.81	20-Aug-2021	-10000	Sell	330000	2.73
			2.70	24-Dec-2021	-30000	Sell	300000	2.46
		300000	2.44	31-Mar-2022	0		300000	2.44
2	SAMARTH LIFE SCIENCES PRIVATE LIMITED	283702	2.53	31-Mar-2021	0		283702	2.53
			2.51	07-May-2021	9035	Buy	292737	2.59
			2.59	14-May-2021	1632	Buy	294369	2.61
			2.58	21-May-2021	5631	Buy	300000	2.63
			2.61	04-Jun-2021	11774	Buy	311774	2.71
		311774	2.54	31-Mar-2022	0		311774	2.54
3	AAKARSHAN TRACOM	0	0.00	31-Mar-2021		Sell	0	0.00
			0.00	16-Jul-2021	1000	Buy	1000	0.01
			0.01	17-Sep-2021	100000	Buy	101000	0.84
			0.82	18-Mar-2022	9980	Buy	110980	0.90
		110980	0.90	31-Mar-2022	0		110980	0.90
4	DHARMENDER GOEL	50000	0.45	31-Mar-2021	0		50000	0.45
			0.44	02-Jul-2021	50000	Buy	100000	0.88
			0.83	03-Aug-2021	5000	Buy	105000	0.87
		105000	0.86	31-Mar-2022	0		105000	0.86
5	BABITA MITTAL	398	0.00	31-Mar-2021	0		398	0.00
			0.00	27-Aug-2021	100000	Buy	100398	0.85
			0.85	01-Oct-2021	780	Buy	101178	0.83
		101178	0.82	31-Mar-2022	0		101178	0.82
6	VIMAL SAGAR-MAL JAIN	181000	1.50	31-Mar-2021	0		181000	1.50
			1.50	30-Apr-2021	-57762	Sell	123238	1.09
			1.09	07-May-2021	-17838	Sell	105400	0.93
			0.92	21-May-2021	-21900	Sell	83500	0.73
			0.72	30-Jul-2021	-18000	Sell	65500	0.56
			0.54	13-Aug-2021	-23972	Sell	41528	0.34
			0.34	20-Aug-2021	-25109	Sell	16419	0.14
			0.14	27-Aug-2021	-16419	Sell	0	0.00
			0.00	31-Mar-2022	0		0	0.00
			0.00	31-Mar-2022	0		0	0.00
7	SHEELA VIMAL JAIN	90500	0.81	31-Mar-2021	0		90500	0.81
			0.79	29-Jun-2021	-90500	Sell	0	0.00
			0.00	31-Mar-2022	0		0	0.00
8	AVR TRENDS INTERNATIONAL PVT LTD	90000	0.80	31-Mar-2021	0		90000	0.80
		90000	0.73	31-Mar-2022	0		90000	0.73

Sr. No.	Name	Shareholding		Date	Increase (+)/ Decrease (-) in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01/04/2021)/ end of the year (31/03/2022)	% total Shares of the Company				No of Shares	% total Shares of the Company
9	K R DEVELOPERS LLP	84940	0.76	31-Mar-2021	0		84940	0.76
			0.73	09-Apr-2021	-2500	Sell	82440	0.74
			0.68	03-Sep-2021	2	Buy	82442	0.68
		82442	0.67	31-Mar-2022	0		82442	0.67
10	GADAKH UDAYAN SHANKARRAO	80504	0.72	31-Mar-2021	0		80504	0.72
			0.66	24-Dec-2021	-39860	Sell	40644	0.33
			0.33	07-Jan-2022	-13000	Sell	27644	0.23
			0.23	04-Mar-2022	-27644	Sell	0	0.00
			0.00	25-Mar-2022	8700	Buy	8700	0.07
		8700	0.07	31-Mar-2022	0		8700	0.07
11	PERPETUAL EN- TERPRISES LLP	0	0.00	31-Mar-2021			0	0.00
			0.00	17-Sep-2021	50000	Buy	50000	0.41
			0.41	31-Dec-2021	20500	Buy	70500	0.58
			0.58	31-Mar-2022	8909	Buy	79409	0.65
		79409	0.65	31-Mar-2022	0		79409	0.65
12	ASTHA FOILS PVT LTD	0	0.00	31-Mar-2021		Sell	0	0.00
			0.00	04-Mar-2022	50000	Buy	50000	0.41
			0.41	11-Mar-2022	27000	Buy	77000	0.63
		77000	0.63	31-Mar-2022	0		77000	0.63

**v) Shareholding of Directors and Key Managerial Personnel (KMPs)**

S. No.	Particulars	Shareholding at the beginning of the year 01.04.2021		Shareholding at the end of the year 31.03.2022	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
A	Directors:				
1	Ajay Kumar Bansal	1680677	15.00%	1734177	14.13%
2	Anish Bansal	1066600	9.52%	1216600	9.91%
3	Prashant Kumar Saxena	-	-	829	-
B	Key Managerial Personnel	-	-	-	-

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakh)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i.e. 01.04.2021				
i) Principal Amount	20,659.73	581.35	-	21,241.08
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	80.05	-	-	80.05
Total (i+ii+iii)	20,739.78	581.35	-	21,321.13
Change in Indebtedness during the financial year				
Net Change	4860.36	(68.74)	-	4791.62
Indebtedness at the end of the financial year				
i) Principal Amount as on 31.03.2022	25503.01	512.61	-	26015.62
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due as on 31.03.2022	97.13	-	-	97.13
Total (i+ii+iii)	25600.14	512.61	-	26112.75

**VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Mr. Ajay Kumar Bansal (MD)	Mr. Anish Bansal (WTD)
1	Gross Salary	96.00	60.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	96.00	60.00
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-
	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify	-	-
5	Others, please specify	-	-
	Total (A)	96.00	60.00
	Ceiling as per the Act	The Managerial Remuneration is within the limit, as prescribed under the Companies Act, 2013	

**B. Remuneration to other directors**

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Prashant Kumar Saxena	Mr. Vivek Goyal	Mrs. Neerja Kumar	Mr. Mukesh Kumar Garg	
1.	<b>Independent Directors</b> Sitting Fee	160000	160000	160000	160000	640000
2.	Other Non-Executive Directors	-	-	-	-	-
	Total B = (1+2)	160000	160000	160000	160000	640000
	Total Managerial Remuneration (A+B)	160000	160000	160000	160000	640000

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/WTD**

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	18.0	6.00	24.00
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	- as % of profit	-	-	
	others, specify	-	-	
5	Others, please specify	-	-	
	Total (A)	18.0	6.00	24.00

**V. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act/ SEBI LODR, 2015	Brief Description	Details of Penalty/ Punishment/ Compounding fees Imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

## MR-3 SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[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,  
Hi-Tech Pipes Ltd.  
(L27202DL1985PLC019750)  
505, Pearl Omaxe Tower,  
Netaji Subhash Place,  
Pitampura New Delhi - 110034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hi-Tech Pipes Ltd. (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company, 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

- (1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) 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;
- (5) 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 Obligations and Disclosure Requirements) Regulations, 2015, [herein after referred to as SEBI (LODR), 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, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (6) We further report that with respect to the compliance of the below mentioned laws, we have relied on the



compliance system prevailing in the Company and on the basis of representation received from the management:

- i. Applicable Labour Laws
- ii. Applicable direct and indirect tax laws
- iii. Prevention of Money Laundering Act 2002;
- iv. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- v. Forest (Conservation) Act, 1980
- vi. Regulations & Guidelines issued by Ministry of Environment, Forest and Climate Change, Government of India
- vii. Regulations & Guidelines issued by Ministry of Water Resources , Government of India
- viii. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder
- ix The Air (Prevention and Control of Pollution) Act 1981 and rules made thereunder
- x Environment (Protection) Act, 1986 and rules made thereunder
- xi Guidelines issue by National Green Tribunal.

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

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

During the period under review, 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 period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period there were no specific events/ actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.;

We further report that during the audit period the company has:

- made conversion of Warrants as follows:

S. No.	No. of Warrants	Meeting	Date of conversion
1	90,000	Board Meeting	14 <sup>th</sup> April, 2021
2	1,00,000	Board Meeting	19 <sup>th</sup> May, 2021
3	1,00,000	Board Meeting	28 <sup>th</sup> May, 2021
4	1,50,000	Board Meeting	06 <sup>th</sup> July, 2021
5	1,00,000	Board Meeting	19 <sup>th</sup> July, 2021
6	3,40,000	Board Meeting	01 <sup>st</sup> August, 2021
7	1,00,000	Board Meeting	30 <sup>th</sup> September, 2021
8	25,000	Board Meeting	02 <sup>nd</sup> November, 2021
9	60,000	Board Meeting	22 <sup>nd</sup> January, 2022

Note: Above conversion were made for warrants allotted as follows:

S. No.	No. of Warrants	Date of meeting of Securities Allotment committee
1.	11,70,000	10th February, 2021
2.	2,00,000	12th February, 2021

For NSP & Associates  
Company Secretaries

(Proprietor)

UDIN: F009028D000320504

FCS No.: 9028

C P No.: 10937

Peer Review Certificate No: 1797/2022

Place: Noida, UP

Date: 14th May, 2022

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.

To,  
The Members,  
Hi-Tech Pipes Ltd.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we have reported on the basis of unsigned and unaudited Financial Statement for the Financial Year ended 31st March, 2022.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For NSP & Associates  
Company Secretaries

(Proprietor)  
UDIN: F009028D000320504  
FCS No.: 9028  
C P No.: 10937

Place: Noida, UP  
Date: 14th May, 2022

## MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[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,  
**HTL Metal Pvt. Ltd.**  
(U27320DL2011PTC214435)  
501, Pearl Omaxe Tower,  
Netaji Subhash Place, Pitampura  
New Delhi 110034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HTL Metal Pvt. Ltd.** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon..

Based on our verification of the Company, 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of:

- (1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) 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;
- (5) 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 Obligations and Disclosure Requirements) Regulations, 2015, [herein after referred to as SEBI (LODR), 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, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(6) We further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management:

- i. Applicable Labour Laws
- ii. Applicable direct and indirect tax laws
- iii. Prevention of Money Laundering Act 2002;
- iv. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
- v. Forest (Conservation) Act, 1980
- vi. Regulations & Guidelines issued by Ministry of Environment, Forest and Climate Change, Government of India
- vii. Regulations & Guidelines issued by Ministry of Water Resources, Government of India
- viii. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder
- ix. The Air (Prevention and Control of Pollution) Act 1981 and rules made thereunder
- x. Environment (Protection) Act, 1986 and rules made thereunder
- xi. Guidelines issue by National Green Tribunal.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India and

During the period under review, 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 period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period there were no specific events/ actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.;

We further report that during the audit period the company has not:

1. made Public/Right/Preferential issue of shares / debentures/sweat Equity, etc.
2. done Redemption / buy-back of securities

3. taken Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
4. taken decision for Merger / amalgamation / reconstruction, etc.
5. made Foreign technical collaborations

For NSP & Associates  
Company Secretaries

Sd/-

(Proprietor)

UDIN: F009028D000320526

FCS No.: 9028

C P No.: 10937

Peer Review Certificate No: 1797/2022

Place: Noida, UP

Date: 14<sup>th</sup> May, 2022

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.

To,  
The Members,  
**HTL Metal Pvt. Ltd.**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we have reported on the basis of unsigned and unaudited Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2022.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For NSP & Associates  
Company Secretaries

Sd/-

**Naveen Shree Pandey**

(Proprietor)

UDIN: F009028D000320526

FCS No.: 9028

C P No.: 10937

Peer Review Certificate No: 1797/2022

Place: Noida, UP  
Date: 14<sup>th</sup> May, 2022

## Secretarial Compliance Report of Hi-Tech Pipes Ltd. (CIN: L27202DL1985PLC019750) for the year ended on 31<sup>st</sup> March, 2022

(Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosures Requirement) Regulations 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019)

I, Naveen Shree Pandey, Proprietor of NSP & Associates, have examined:

- a) all the documents and records made available to us and explanation provided by HI-Tech Pipes Ltd. (CIN: L27202DL1985PLC019750) ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) other document(s)/ filing(s), as may be relevant, which has been relied upon to make this certification:  
for the year ended 31st March, 2022 ("Review Period") in respect of compliance with the provisions of :
  - a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - b) the Securities Contracts (Regulation) Act, 1955 ("SCRA"), Rules, made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
  - c) the following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the circulars/guidelines issued thereunder, have been examined:
    - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - ii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - iv. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable to the Company during the period under review;
    - v. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company during the period under review;
    - vi. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable to the Company during the period under review;
    - vii. Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2021 - Not Applicable to the Company during the period under review;
    - viii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - ix. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and based on the above examination and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of COVID-19 pandemic, We hereby report that, during the Review Period:



- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations / Remarks of the Practicing Company Secretary
		Nil	

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations / Remarks of the Practicing Company Secretary
1.			Nil	

- d) The Company was not required to take any action with regard to compliance with the observations made in previous reports as the same was not applicable.
- e) I further report that since there was no event of appointment/re-appointment/ resignation of Statutory Auditor of the Listed Entity during the review period , therefore the compliance under Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 is not applicable for review period.

For NSP & Associates  
Company Secretaries

Sd/-

**Naveen Shree Pandey**

(Proprietor)

FCS No.: 9028

C P No.: 10937

UDIN: F009028D000320515

Place: Ghaziabad

Date: 14th May, 2022

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES  
[PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013] FOR THE FINANCIAL YEAR 2021-22**

**ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014**

**1. A brief outline of the company's CSR policy:**

In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee has approved a CSR Policy of the Company. In accordance with the primary CSR philosophy of the group and the specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain thrust areas such as supporting environmental sustainability and supporting Education etc. The Corporate Social Responsibility Policy of the Company is available on the website of the Company i.e. [www.hitechpipes.in](http://www.hitechpipes.in)

**2. The Composition of CSR committee as at 31st March, 2022.**

The Corporate Social Responsibility Committee comprises of 3 (Three) members of the Board, 1 (One) of which is Non-Executive Independent Director and 2 (Two) are Executive Directors:

S.No.	Name	Category	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Anish Bansal	Executive Director (WTD)	Chairman	02	02
2.	Mr. Ajay Kumar Bansal	Executive Director (MD)	Member	02	02
3.	Ms. Neerja Kumar	Non-Executive Independent Director	Member	02	02

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:**

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is: <https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/CSR-Policy.pdf>

Details of the CSR projects approved by the Board can be access on the Company website and the web link for the same is: <https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/CSR-Policy.pdf>

The composition of the CSR committee is available on the website and the web link for the same is: <https://www.hitechpipes.in/pdf/Codes%20and%20policies%20P1/Composition%20of%20Various%20Committees.pdf>

**4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Not Applicable

**6. Average net profit of the company as per section 135(5):**

The Average net profit of the three financial years preceding the reporting financial year (i.e. 2020-21, 2019-20 and 2018-19) calculated in accordance with Section 135(5) of the Companies Act, 2013 is: ₹ 31.61 Cr.

## 7. Prescribed CSR Expenditure

- Two percent of average net profit of the Company as per Section 135(5): ₹ 63.23 Lakhs
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- Amount required to be set off for the financial year: Nil
- Total CSR obligation for the financial year (7a+7b-7c): ₹ 63.23 Lakhs

## 8. a. Details of CSR spent or unspent during the Financial Year

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 63.30 Lakhs	Not Applicable				

## b. Details of CSR amount spent against ongoing projects for the financial year:

(Amount in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.											Not Applicable	
2.											Not Applicable	
3.											Not Applicable	

## c. Details of CSR amount spent against other than ongoing projects for the financial year:

(Amount in Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Conservation of Natural Resources	Ensuring environmental sustainability, ecological balance	Yes	Gujarat	Mumbai	Ahmedabad Khopoli	63.30 Lakhs	Direct	Not Applicable
	Total					₹ 63.30 Lakhs			

- Amount spent in Administrative Overheads: Nil
- Amount spent on Impact Assessment, if applicable: Nil (Since Not Applicable)
- Total amount spent for the Financial Year (8b+8c+8d+8e) = ₹ 63.30 Lakhs
- Excess amount for set off, if any : Nil

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.							
2.							
3.							

NIL

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in ₹).	(7) Amount spent on the project in the reporting Financial Year (in ₹).	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed / Ongoing.
1								
2								
3								

Not Applicable

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**

Not Applicable.

**11. In case the company has failed to spend the 2% of the average net profit as per Section 135(5)**

Total amount spent on CSR during the year was ₹ 63.30 Lakhs for the Current Year Obligations. Hence there was no unspent amount for the year.

**12. Responsibility Statement**

We hereby confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-

**Ajay Kumar Bansal**  
(Managing Director)

Sd/-

**Anish Bansal**  
(Chairman CSR Committee).

Disclosures pertaining to remuneration and other details are required under Section 197(12) of the act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non -Executive Directors : Not Applicable

Executive Director	Ratio to Median Remuneration
Mr. Ajay Kumar Bansal	45.6:1
Mr. Anish Bansal	28.5:1

B. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year: Nil

C. The percentage increase in median remuneration of employees in the financial year: Nil

D. The number of permanent employees on the rolls of the Company: 575

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

**The average annual increase was: Nil%**

Increase in the managerial remuneration for the year was: Nil

F. Affirmation that the remuneration is as per the remuneration policy of the company-Yes

G. The names of the top ten employees in terms of remuneration drawn and the name of every employee, who-

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than [one crore and two lakh rupees] - NIL

(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than [eight lakh and fifty thousand rupees per month]; - NIL

(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. - NIL

(iv) The Statement containing the particulars of Employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given at link of website. <http://www.hitechpipes.in/pdf/Corporate%20announcements/MISCELLANEOUS/Top-Ten-EmployeesFY2022.pdf>

**Disclosure pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 (Chapter IX) for Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:**

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows: The Company remains conscious of the environmental impact of its business and has improved its energy efficiency through various initiatives that helped the Company in reducing energy cost.

**A. Conservation of Energy:**

ii) The steps taken or impact on conservation of energy

During the Year under review, the Company has commissioned Rooftop Solar Project under Opex Model at Sikanderabad and Khopoli. With this, the total rooftop Solar power Generation installed capacity has increased to 3300 KW.

ii) The steps taken by the Company for utilizing alternate sources of energy:

The Company had installed Rooftop Solar Project at Sikanderabad (Uttar Pradesh), Sanand (Gujarat) and Hindupur (Andhra Pradesh).

**Sikanderabad, Uttar Pradesh**

This Solar project has a capacity of 1700 kWp and can save significant money and energy while also protecting the environment.

**Sanand, Gujarat**

This Solar project has a capacity of 360 kWp and can save significant money and energy while also protecting the environment.

In line to this the Company has extended the existing capacity of 360 kWp by 70 kWp i.e. 430 kWp.

**Hindupur, Andhra Pradesh**

This Solar project has a capacity of 400 kWp and can save significant money and energy while also protecting the environment.

In line to this the Company has extended the existing capacity of 400 kWp by 200 kWp i.e. 600 kWp.

The estimated amount of reduction in the Carbon Footprint will be by 1470 tonnes (approx.) by reducing the emission of Carbon dioxide into the atmosphere. We also envisage significant Energy Cost savings.

iii) The capital investment on energy conservation equipments – NIL

**B. Technology Absorption:**

**i) Efforts made towards Technology Absorption:**

The technology used by the Company is updated as a continuous exercise. The Company recognizes that focused initiative on the development of new products would form the backbone of the Company's future business performance and profitability. Keeping this in view, the Company has increased its efforts in terms of development of new products.

**ii) Benefits derived as a result of the above efforts:**

All the products of the company have a high level of technology. The manufacturing processes are also technology intensive. These are being constantly updated. Technology Development Plans of the Company have resulted in reducing the cost of production and also provided flexibility in manufacturing

**iii) Particulars relating to imported technology: NIL**

**iv) The expenditure incurred on Research and Development: NIL**

Research and Development is a continuous phenomenon in the Company and due to which the Company is able to launch successfully various new products to trap the market throughout the year.

**C. Foreign Exchange Earning and Out Go:**

The Detail with regard to include Forex realization from Export as under:

(₹ in Lakhs)			
S. No.	Particulars	Current Year	Previous Year
1.	Earnings in Foreign Currency	4,030.52	-
2.	Expenditure in Foreign Currency	15.90	32.35

## Corporate Governance Report

**Your Directors present the Company's Report on Corporate Governance in compliance with Regulation 34(3) read with part C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. Good governance practices stem from the dynamic culture and positive mindset of the organization. At Hi-Tech Pipes, we consider stakeholders as partners in our journey forward and we are committed to ensure their wellbeing, despite business challenges and economic volatilities.

As a Company with a strong sense of values and commitment, at Hi-Tech Pipes we believe that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This translates into the philosophy of Corporate Governance. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

At Hi-tech Pipes, good Corporate Governance is a way of life and the way we do our business, encompassing everyday activities and is enshrined as a part of our way of working. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. The Company's philosophy on Corporate Governance lays strong emphasis on the commitment to disclose timely and accurate information regarding our financial and operational performance, as well as the Company's leadership and governance structure. The philosophy is manifested in its operations through exemplary standards of ethical behaviour, both within the organization as well as in external relationships.

### 2. BOARD OF DIRECTORS

The Company recognizes and embraces the importance of a diverse Board in its success and it believes that a truly diverse Board would leverage differences in thought, perspective, knowledge, skill and industry experience, which will enrich Board discussions and enable effective decision making. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses.

The Board effectively separates the functions of governance and management and balances deliverables. The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets. The Board periodically evaluates the need for change in its size and composition.

#### A) COMPOSITION

As on the date of this Report, the Board of Directors has an optimum combination of Executive, Non-Executive & Independent Directors including Women Director. The Strength of the Board comprises of Six (6) Directors, out of which Two (2) are Executive Directors viz. Mr. Ajay Kumar Bansal, Mr. Anish Bansal. The other Four (4) are Non-Executive and Independent Directors viz. Mr. Vivek Goyal, Mr. Prashant Kumar Saxena, Mrs. Neerja Kumar and Mr. Mukesh Kumar Garg.

The Board of the company consists of eminent individuals from diverse fields. The Board acts with autonomy and independency in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure.



## B) BOARD MEETINGS

During the Financial Year ended March 31, 2022, Four (4) Meetings of the Board of Directors were held. The Meetings were held on 07.06.2021, 29.07.2021, 31.10.2021 and 20.01.2022.

**The Company held Four Board Meetings in the year and the gap between two Board Meetings was in compliance with the provisions contained in the act and in the Listing Regulations.**

Name of the Director	Category	No. of Board Meeting attended during the year 2021-22	Attendance at the last AGM held on September 29, 2021	No. of Directorship of Companies (Including Hi-Tech Pipes Limited) as on March 31, 2022			No. of other Board Committees (Including Hi-Tech Pipes Limited) in which a Director is a Member or Chairperson as on March 31, 2022		Directorship in other Listed Companies
				Public	Private	Sec. 8 Co.	Chairman	Member	
Mr. Ajay Kumar Bansal	Promoter/ Executive Director	4	Yes	2	8	Nil	Nil	1	None
Mr. Anish Bansal	Promoter/ Executive Director	4	Yes	1	4	Nil	Nil	1	None
Mr. Prashant Kumar Saxena	Non-Executive Independent Director	4	Yes	1	Nil	Nil	1	2	None
Mr. Vivek Goyal	Non-Executive Independent Director	4	Yes	2	Nil	Nil	0	0	None
Mrs. Neerja Kumar	Non-Executive Independent & Woman Director	4	Yes	2	1	Nil	1	2	None
Mr. Mukesh Kumar Garg	Non-Executive Independent Director	4	Yes	2	Nil	Nil	Nil	1	Salasar Techno Engineering Limited (Independent Director)

### Notes:

- Neither of the Directors is a member of the Board of more than 10 public companies in terms of section 165 of the Companies Act, 2013, also not serving as Director or Independent Director in more than seven Listed Companies nor is a Member of more than 10 Committees and Chairman of more than 5 committees as specified in Regulation 26 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.
- Only Executive Directors viz. Mr. Ajay Kumar Bansal and Mr. Anish Bansal are inter-se related as Father and Son.
- The Directorship/ Committee membership is based on the disclosures received from the Directors and excludes foreign companies. Further, membership of only Audit and Shareholder's/ Investors' Grievance Committees are indicated.

## BOARD PROCEDURES AND FLOW OF INFORMATION

The dates of Board meetings are decided well in advance and are published herein above. The Company also provides video conferencing facility to its Directors to enable them to participate in the discussions held at the meetings, when it may not be possible for them to be physically present for the meeting.

The Board meets at least once in a quarter to, inter alia, review quarterly standalone and consolidated financial results/statements, compliance report(s) of all laws applicable to the Company, regulatory developments, minutes of the Board Meetings of subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, presentations on Environment Health & Safety (EHS) initiatives or any other proposal from the management, etc.

## AVAILABILITY OF INFORMATION TO THE BOARD

The Chairman of the Board and the Company Secretary determine the Agenda for every meeting along with explanatory notes. The Board has unrestricted access to all Company-related information. The Agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting. With a view to ensure high standards of confidentiality of Board papers and reduce paper consumption, the Company circulates to its Directors, notes for Board/Committee meetings through a secure and encrypted electronic platform.

All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The Members of the Executive Committee of the Company are invited to attend meetings of the Board and make presentations to the Board on matters including but not limited to the Company's performance, strategic plans, quarterly and annual financial results, compliance reports, etc.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, the minutes are entered in the minutes book within 30 (thirty) days of conclusion of the meetings, subsequent to incorporation

of the comments, if any, received from the Directors.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

## INDEPENDENT DIRECTORS

- i) **Mr. Prashant Kumar Saxena** has done Masters in Physics, Finance and also a Certified Associate of Indian Institute of Bankers (CAIIB). He is honourably retired as DGM from Punjab National Bank. He is having approximately 30 years of experience in the field of Bank Management, Product Enrichment, Distribution to derive /Maximize Profit, Operational Control: Credit Management, Business Analysis, Pre-sanction/Post- sanction follow up, Data Analytics, Foreign Exchange Loan syndication, All banking aspects, NPA/ Recovery Management, monitoring / follow up with SMA accounts.

### Directorship of the Companies

S. N.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Director

- ii) **Mr. Vivek Goyal** has done his Graduation in Commerce from Punjab University, Patiala, Masters in Finance & Control and became a member of The Institute of Chartered Accountant of India in 1995 and also done various certification courses on concurrent audit of Banks from ICAI. Mr. Goyal is Senior Partner in M/s Vivek Prem & Associates a well known Chandigarh based firm. Mr. Goyal has more than two decades of experience serving large and mid-sized clients in several sectors in area of Audit, Taxation, Corporate Finance, Corporate Advisory, Risk Management, Corporate Governance, M&A and restructuring Initiatives.

### Directorship of the Companies

S. N.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Independent Director
2.	Allengers Medical Systems Limited	Additional Independent Director

- iii) **Mrs. Neerja Kumar** did her Post Graduation in MSc MPhil (Botany). She has retired as General

Manager-(MSME) Punjab National Bank in Dec 2018. Mrs. Kumar started her career as Management Trainee with Punjab National Bank. She is having almost FOUR decades of experience in PNB Bank in various disciplines and has rich experience in Bank Management as handling a number of bank branches across India as Branch Head Planning for growth and development of bank to maximize Profits. She handled special focus branches of Retail loans, MSME loans and International banking branches as branch head. She worked as Deputy General Manager in Mumbai handling HR, Planning and development, Credit, Inspection and audit, IT and other areas of banking of Maharashtra and Gujarat and also worked as Circle Head Jhansi controlling more than 65 branches of Bundelkand UP..

### Directorship of the Companies

S. N.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Independent Director
2.	HTL Metal Pvt. Ltd.	Independent Director
3.	Hitech SAW Limited	Independent Director

iv) **Mr. Mukesh Kumar Garg** had joined Indian Railway as an IRSE Officer in July 1984 and retired from Railway on 30th June, 2019. He worked at several posts over Northern and North Central Railway, involving Railway Construction projects as well as Railway tracks/building/bridges maintenance works. Mr. Garg is having a vast experience of planning of works, handling of tenders, costing several hundred Crores of rupees, as well as of Contract Management and execution, both for maintenance works as well as Railway Construction Projects. He is also having a vast experience of contesting Arbitration cases.

### Directorship of the Companies

S. N.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Independent Director
2.	Salasar Techno Engineering Limited	Independent Director

### 3. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, Independent Directors met on 20<sup>th</sup> January, 2022, inter alia, to:

1. Review & assess the performance of Non

Independent Directors and the Board of Directors as a whole and Committee thereof;

2. Review & assess the performance of the Chairperson of the Company and Committee(s), taking into account the views of the Executive and Non-Executive Directors;
3. Review and assess the quality, quantity and timeliness of flow of information between the management and the Board/Committee(s) that is necessary for the Board/Committee(s) to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

4. All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category and Corporate Function from time to time.

The details regarding Independent Directors' Familiarisation Programmes are given under the "Corporate Announcement" section on the website of the Company and can be accessed at [https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Familiarization\\_Programme\\_for\\_Independent\\_Directors.pdf](https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Familiarization_Programme_for_Independent_Directors.pdf)

5. Skills/ Expertise/ Competence of the Board of Directors including the areas as identified by the Board in the Context of the Company's Business:

The Company is in the Steel Sector, the individual Members of its Board of Directors bringing in knowledge and experience from a variety of sectors, demonstrating breadth and depth of management and leadership experience in the following competence areas:

- ✂ Financial and business acumen;
- ✂ Guiding and setting the pace for Company's Operations and future development by aiding implementation of best systems and processes;

- ✘ Building effective Sales & Marketing strategies, Corporate Branding and Advertising functions;
- ✘ Management and strategy of the Information Technology function; and Human Resources Management.

#### EXPERTISE/ SKILLS OF DIRECTORS

S. N.	Name of the Director	Expertise/ Skill
1.	Mr. Ajay Kumar Bansal	Strategic Marketing, Brand transformation and Finance, Technical planning, Business development, spearheading new projects.
2.	Mr. Anish Bansal	Finance and allied fields, standardization of systems and processes across the organization, Technology matters and Business Administration.
3.	Mr. Vivek Goyal	Audit, Taxation, Corporate Finance, Corporate Advisory, Risk Management, Corporate Governance, M&A and restructuring Initiatives
4.	Mr. Prashant Kumar Saxena	Bank Management, Product Enrichment, Distribution to derive /Maximize Profit, Operational Control: Credit Management, Business Analysis
5.	Mrs. Neerja Kumar	HR, Planning and development, Credit, Inspection and audit, IT and other areas of Banking
6.	Mr. Mukesh Kumar Garg	Planning of works, handling of tenders, costing several hundred Crores of rupees, as well as of Contract Management and execution, both for maintenance works as well as Railway Construction Projects

6. Confirmation that in the opinion of the Board the Independent Directors fulfill the conditions specified in these Regulations and are Independent of the Management:

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the FY22, the Board hereby certify that all the Independent Directors appointed

by the Company fulfills the conditions specified in these Regulations and are independent of the management.

#### 4. COMMITTEES OF THE BOARD

##### A. AUDIT COMMITTEE

The Primary objective of the Committee is to monitor and provide effective supervision of the management financial reporting process with a view to ensuring accurate and timely disclosures with the highest level of transparency, integrity and quality financial reporting.

##### i. Composition

**The Committee comprises of Two (2) Non-Executive Independent Directors and One (1) Executive Director viz.**

- a) Ms. Neerja Kumar (Non- Executive Independent Director, Chairman)
- b) Mr. Prashant Kumar Saxena (Non- Executive Independent Director)
- c) Mr. Anish Bansal (Whole-Time Executive Director)

The current constitution meets the requirement of the provision of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

##### ii. Powers of the Audit Committee:

- ✘ Investigating any activity within its terms of reference;
- ✘ Seeking information from any employee;
- ✘ Obtaining outside legal or other professional advice; and
- ✘ Securing attendance of outsiders with relevant expertise, if it considers necessary.

##### iii. Role of the audit committee:

Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

Recommending to the Board, the appointment, re-appointment and, if required, the

replacement or removal of the statutory auditor and the fixation of audit fees.

Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- ✘ Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act, 2013.
- ✘ Changes, if any, in accounting policies and practices and reasons for the same.
- ✘ Major accounting entries involving estimates based on the exercise of judgment by management.
- ✘ Significant adjustments made in the financial statements arising out of audit findings.
- ✘ Compliance with listing and other legal requirements relating to financial statements.
- ✘ Approval or any subsequent modification of transactions of the company with related parties alongwith Disclosure of any related party transactions.
- ✘ Qualifications in the draft audit report.

Reviewing, with the management, the quarter ended and annual financial statements before submission to the board for approval.

Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

Discussion with internal auditors on any significant findings and follow up there on.

Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

To review the functioning of the Whistle Blower mechanism, in case the same is existing.

Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.

In terms of the Prohibition of Insider Trading Policy adopted by the Company, the Committees shall consider the following:

- ✘ To approve policies in relation to the implementation of the Insider Trading code and to supervise implementation of Insider trading Code.
- ✘ To note and take on record the status reports dealing the dealings by designated PERSONS IN Securities of the Company, as submitted by the Compliance officer on Quarterly basis.

- ✕ To provide directions on any penal actions to be initiated, in case of any violation of the Regulations by any person

#### iv. Meeting and Attendance during the Year

**During the Financial Year ended on March 31, 2022 Four (4) meetings were held on 07.06.2021, 29.07.2021, 31.10.2021, and 20.01.2022**

**Details of attendance of Members at these are:**

S. No.	Name of the Member	No. of Meetings Attended
1	Mrs. Neerja Kumar	4
2	Mr. Prashant Kumar Saxena	4
3	Mr. Anish Bansal	4

## B. NOMINATION AND REMUNERATION COMMITTEE

### i. Composition

**The Committee comprises of Three (3) Non-Executive Independent Directors and one (1) Executive Directors viz.:**

- a) Mr. Vivek Goyal (Non- Executive Independent Director, Chairman)
- b) Mr. Prashant Kumar Saxena (Non- Executive Independent Director)
- c) Mrs. Neerja Kumar (Non-Executive Independent Director)
- d) Mr. Ajay Kumar Bansal (Executive-Chairman & Managing Director)

The current constitution meets the requirement of the provision of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### ii. Terms of reference

Recommend to the Board the setup and composition of the Board and its Committees, including the "Formulation of the criteria for determining qualifications, positive attributes and independence of a Director." The Committee will consider periodical reviewing the composition of the Board with the objectives of achieving an optimum balance of Size, Skills, independence, knowledge, age, gender and

experience.

Recommend to the Board the appointment or reappointment of Directors.

Devise a policy on Board Diversity.

Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this Committee).

Carry out the evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board". Additional the Committee may also oversee the performance review process of the KMP and Executive team of the Company.

Recommend to the Board the Remuneration policy for Directors, executive team or Key Managerial Personnel as well as the rest of the Employees.

On an Annual basis, recommend to the Board the remuneration payable to the directors and oversee the remuneration to executive team or Key Managerial Personnel of the Company.

Oversee the familiarization programmes for directors.

Oversee the Human Resource philosophy, Human Resource and people strategy and Human Resource Practices including those for Leadership development, reward and recognition, talent management and succession planning (specifically for the Board, Key Managerial Personnel and Executive Team).

Provide Guidelines for remuneration of Directors on Material Subsidiaries.

Recommend to the Board on Voting Pattern for appointment and Remuneration of Directors on the Boards of Its material Subsidiary of the Companies.

Performing such other duties and Responsibilities as may be consistent with the provisions of the Committee charter.

### iii. Meeting and Attendance during the year

During the Financial Year ended on March 31, 2022, Two Meetings of the Committee was held on 07.06.2021 and 20.01.2022.

**Details of the members at the meetings are:**

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. Vivek Goyal	2
2	Mr. Prashant Kumar Saxena	2
4	Ms. Neerja Kumar	2
5	Mr. Ajay Kumar Bansal	2

**iv. Nomination and Remuneration Policy**

The Nomination and Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on periodical basis. The Remuneration Policy is in consonance with the existing Industry norms. The tenure of office of the Managing Director, Whole Time Director is for certain period from their respective dates of appointments and can be terminated by either party by giving proper notice in writing.

The policy can be accessed through <http://www.hitechpipes.in/pdf/Codes%20and%20policies%20P1/PolicyonNominationandRemunerationCommittee.pdf>

**v. Performance Evaluation**

In accordance to Companies Act, 2013 and

Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committee, Board Culture, Execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board and independent director, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguard the interest of the Company and minority shareholders etc. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Further, the performance evaluation of the Independent Directors was carried out by the Non Independent Directors who also reviewed the performance of Secretarial Department The Directors expressed their satisfaction with the evaluation process.

**vi. Details of Remuneration of Directors (For the Financial Year ended 31.03.2022)**

S. No.	Name of the Director	Salary and Allowances	Sitting Fees	Commission	Total
1.	Mr. Ajay Kumar Bansal	96,00,000	-	-	96,00,000
2.	Mr. Anish Bansal	60,00,000	-	-	60,00,000
3.	Mrs. Neerja Kumar	-	1,60,000	-	1,60,000
4.	Mr. Prashant Kumar Saxena	-	1,60,000	-	1,60,000
5.	Mr.VivekGoyal	-	1,60,000	-	1,60,000
6.	Mr. Mukesh Kumar Garg	-	1,60,000	-	1,60,000

Note: Other than above, No other performance linked incentive/criteria is defined.

### **Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Listed entity**

None, except for the sitting fees to the Non-Executive Director

### **Criteria of making payments to Non-Executive Directors**

The Non-Executive and Independent Directors are paid sitting fee within the limit permissible under the Companies Act, 2013 and rules made there under from time to time. The Independent Directors shall not be eligible to get Stock option and also shall not be eligible to participate in any share based payment schemes of the Company. Remuneration paid to the Non-Executive/Independent Director for services rendered which are professional in nature shall be not considered for the limit prescribed in Section 197 of The Companies Act, 2013

### **Service Contract, Severance Fees and Notice Period**

Directors of the Company are ultimately appointed by the Shareholders upon recommendation of the Board of Directors within the framework of the Companies Act, 2013 as well as the Articles of Association of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Resolutions passed by these two governing bodies together with the service rules of the Company covers the terms, conditions and remuneration of such appointment. There is no service contract separately entered into by the Company with the Directors. Further, the resolutions appointing these Directors do not prescribe for the payment of any separate Severance Fees to them. However, the requirement of notice period is as per the service rules of the Company.

### **Shareholding of Non-Executive Directors in the Company**

As per the declarations received from the Non-Executive Directors, Apart from Mr. Prashant Kumar Saxena who is holding 829 equity shares of the company, none of them hold any shares or convertible instruments in the Company.

## **C. STAKEHOLDER REALTIONSHIP COMMITTEE**

### **i. Composition:**

**The Committee comprises of Two (2) Non-Executive Independent Directors and One (1) Executive Director viz.**

- a) Mr. Prashant Kumar Saxena (Non-Executive Independent Director, Chairman of the Committee)
- b) Mrs. Neerja Kumar (Non-Executive Independent Director)
- c) Mr. Ajay Kumar Bansal (Executive Managing Director of the Company)

### **ii. Terms of References**

- ✦ Redressal of shareholders'/investors' complaints;
- ✦ Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- ✦ Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- ✦ Non-receipt of declared dividends, balance sheets of the Company; and
- ✦ Carrying out any other function as prescribed under the Listing Agreement."

### **iii. Meeting and Attendance during the year**

During the FY ended March 31, 2022 no Request/ Complaint was received by the Company. However one meeting was held, to review the Investor Grievance and Redressal Mechanism of the Company, on 07.06.2021.

### **iv. Name and Designation of Compliance Officer**

Mr. Arun Kumar, Company Secretary is the Compliance officer of the Company

### **v. Number of Shareholders' complaint received/ resolved and pending during the year**

No Complaints were received by the Company during the year and no Complaints were pending with the Company.



#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

##### i. Composition

**The Committee comprises of Two (2) Executive Directors and (1) Non-Executive Independent Directors viz.**

- Mr. Anish Bansal (Executive Whole Time Director, Chairman of the Committee)
- Mr. Ajay Kumar Bansal (Executive Managing Director of the Company)
- Mrs. Neerja Kumar (Non-Executive Independent Director of the Company)

##### ii. Terms of References

- ✂ To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;
- ✂ To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- ✂ To monitor the Corporate Social Responsibility Policy of the company from time to time.
- ✂ Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company

##### iii. Meeting and Attendance during the year

**During the year two Meeting was held on 07/06/2021 & 20/01/2022.**

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. Anish Bansal	2
2	Mr. Ajay Kumar Bansal	2
3	Mrs. Neerja Kumar	2

#### E. RISK MANAGEMENT COMMITTEE

##### i. Composition

**The Committee comprises of Two (2) Executive Directors and (1) Non-Executive Independent Director viz.**

- Mr. Anish Bansal (Executive Whole Time Director, Chairperson of the Committee)
- Mr. Ajay Kumar Bansal (Executive Managing Director of the Company)
- Mr. Mukesh Kumar Garg (Non-Executive Independent Director of the Company)

##### ii. Terms of References

- ✂ review of strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
- ✂ review of operational risks;
- ✂ review of financial and reporting risks;
- ✂ review of compliance risks;
- ✂ review or discuss the Company's risk philosophy and the quantum of risk, on a broad level that the Company, as an organization, is willing to accept in pursuit of stakeholder value;
- ✂ review the extent to which management has established effective enterprise risk management at the Company;
- ✂ inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise-wide risk exposures;
- ✂ review the Company's portfolio of risk and consider it against its risk appetite by reviewing integration of strategy and operational initiatives with enterprise-wide risk exposures to ensure risk exposures are consistent with overall appetite for risk; and
- ✂ review periodically key risk indicators and management response thereto.

##### iii. Meeting and Attendance during the year

**During the year Two Meetings were held on 30.10.2021 & 20.01.2022.**

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. Anish Bansal	2
2	Mr. Ajay Kumar Bansal	2
3	Mr. Mukesh Kumar Garg	2

## F. OTHER NON MANDATORY COMMITTEES OF THE BOARD

The Company has following other Committees to speed up routine matters and to comply with other statutory formalities. They meet as and when required. The Company Secretary acts as Secretary of the Committee.

### i. Executive Committee of the Board

The role of the Executive Committee is to expeditiously decide business matters of routine nature and Implementation of strategic decisions of the Board. The Committee functions within the approved framework.

The Committee comprises of Two Members viz.

- Mr. Ajay Bansal (Chairman of the Committee)
- Mr. Anish Bansal

The terms of Reference of Executive Committee is available on the website of the Company viz. <https://hitechpipes.in/pdf/Corporate%20announcements/MISCELLANEOUS/17-18/TermsCommitteeSecuritiesAllotmentCommittee.pdf>

### ii. Securities Allotment Committee

The Securities Allotment Committee meets

to consider requests of share allotment under Preferential Issue, share transfer/ transmission/ transposition/ split/ consolidation/subdivision/ duplicate share certificate etc...

The Committee Comprises of Three Members viz.

- Mr. Ajay Kumar Bansal (Chairman)
- Mr. Anish Bansal
- Mrs. Neerja Kumar

The terms of Reference of Securities Allotment Committee is available on the website of the Company viz. <https://hitechpipes.in/pdf/Corporate%20announcements/MISCELLANEOUS/17-18/TermsCommitteeSecuritiesAllotmentCommittee.pdf>

### iii. Internal Complaint Committee

An Internal Complaints Committee (ICC) has been set up to redress complaints received on sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Committee members are as mentioned below:

- Ms. Neerja Kumar (Chairman)
- Ms. Taruna Oberoi Kabra (Head-Human Resource Department)

## 5. GENERAL BODY MEETINGS:

### i) Particulars of Past Three Annual General Meetings:

For F.Y.	Venue	Date, Day & Time	Special Resolution passed
2020-21	The General Meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of members at a common venue	29/09/2021 Wednesday 11:00 A.M.	No Special Resolution was passed.
2019-20	The General Meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of members at a common venue	26/09/2020 Saturday 11:00 A.M.	1. Re-appointment of Ms. Tanvi Kumar for an another term of 5 Years as an Independent Director
2018-19	Le Pacific, Orchid Hall, 31/35 Main Rohtak Road, West Punjabi Bagh, New Delhi - 110026	25/09/2019 Wednesday 11:00 A.M.	1. To consider and approve the revision in remuneration of Sh. Ajay Kumar Bansal, Chairman and Managing Director of the company 2. To consider and approve the revision in remuneration of Sh. Anish Bansal, Whole Time Director of the company

## 6. POSTAL BALLOT

During the year under review, no postal ballot has been conducted by the Company.

### Proposed Postal Ballot:

Currently the company has no plans to conduct any resolution through postal ballot.

## 7. DISCLOSURES

### i) Related Party Transaction:

List of related parties and materially significant related-party transactions have been given in Note no. 35 of Significant Accounting Policies and Notes on Financial statements. However, there is no materially significant related-party transaction which has potential conflict with the interests of Company at large. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy.

### ii) Compliances:

**Details of non-compliance by the company, penalties, strictures imposed on the company by stock exchange(s) or Securities And Exchange Board Of India (SEBI) or any other statutory authority or any matters related to capital markets during the last three years.**

In F.Y. 2019-20: Pursuant to the circular SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated August 19, 2019, a fine of ₹10,38,400/- (Inclusive of GST) was imposed on the Company for the delay in the filing of Trading Approval for 2,25,000 Equity shares allotted pursuant to the Conversion of Fully Convertible Warrants. However, the Company has decided to approach Hon'ble SAT in this matter.

**Upon an appeal filed by the Company before Hon'ble Securities Appellate Tribunal (SAT), Hon'ble SAT finds that the delay which was caused before NSDL was only a procedural delay and no motive can be imputed upon the Company. Therefore the time taken by the Company to apply for trading approvals is considered as within 7 working days and there is no delay or violation of the circular**

**dated August 19, 2019. Hence, Hon'ble SAT has quashed the order passed by NSE dated November 18, 2019; SEBI dated March 20, 2020 and waived the penalty amount imposed on the Company.**

### iii) Whistle Blower Policy (Vigil Mechanism):

As per the Whistle Blower Policy of the Company every employee of the Company has an open access to the respective Functional Heads, Head HRD, Managing Director as well as Executive Chairman so as to ensure ethical and fair conduct of the business of the Company. Further no personnel have been denied access to the Audit Committee during the FY ended March 31, 2022.

### iv) Details of Compliance with Mandatory Requirement:

The Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### v) Web Links: The Policy on dealing with related party is available at [http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy\\_on\\_Dealing\\_with\\_Related\\_Party\\_Transactions.pdf](http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy_on_Dealing_with_Related_Party_Transactions.pdf)

The Policy on determining 'Material' Subsidiaries is available at [https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy\\_for\\_determining\\_Material\\_Subsidiaries.pdf](https://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy_for_determining_Material_Subsidiaries.pdf)

### vi) Disclosure of Commodity Price Risks and Commodity Hedging Activities

During the year under review, the Company does not possess any commodity price risks and commodity Hedging activities.

### vii) Utilization of Funds Raised through Preferential Allotment or Qualified Institutional Placement

During the Year, your Company has issued and allotted 13,70,000 Fully Convertible warrants to persons belonging to Promoter, Promoter Group and Non Promoter category on preferential basis at the face value of ₹10/- each and at a premium of ₹154/- each.

During the year 2021-22, 10,65,000 warrants were converted into equivalent no. of Equity Shares in following tranches:

Name of Allottees	No. of Warrants converted into equivalent no. of shares	Category	Date of conversion
Mr. Rajendra Chordia	40,000	Non Promoter	14 <sup>th</sup> April, 2021
Mr. Naveen Jain	25,000	Non Promoter	14 <sup>th</sup> April, 2021
Mr. Sanjay Parmar	25,000	Non Promoter	14 <sup>th</sup> April, 2021
Mr. Dharmender Goel	50,000	Non Promoter	19 <sup>th</sup> May, 2021
Mr. Rohit Goel	50,000	Non Promoter	19 <sup>th</sup> May, 2021
Mr. Vasudev Goel	50,000	Non Promoter	28 <sup>th</sup> May, 2021
Mr. Prateek Goyal	50,000	Non Promoter	28 <sup>th</sup> May, 2021
Mr. Vipul Bansal	1,50,000	Promoter Group	06 <sup>th</sup> July, 2021
Ms. Babita Mittal	1,00,000	Non Promoter	19 <sup>th</sup> July, 2021
Mr. Shyam Lal Mittal	1,00,000	Non Promoter	01 <sup>st</sup> August, 2021
Mr. Naresh Aggarwal	1,00,000	Non Promoter	01 <sup>st</sup> August, 2021
Mr. Roshal Lal	1,00,000	Non Promoter	01 <sup>st</sup> August, 2021
Mr. Manoj Garg	25,000	Non Promoter	01 <sup>st</sup> August, 2021
Mr. Bhupinder Goel	15,000	Non Promoter	01 <sup>st</sup> August, 2021
Mr. Anish Bansal	1,00,000	Promoter	30 <sup>th</sup> September, 2021
	50,000		22 <sup>nd</sup> January, 2022
Mr. Rajneesh Jain	25,000	Non Promoter	02 <sup>nd</sup> November, 2021
Ms. Anju Gupta	10,000	Non Promoter	22 <sup>nd</sup> January, 2022
Total	10,65,000		

The proceeds of allotment of Fully Convertible Warrants and Equity Shares allotted pursuant to conversion during the year 2021-22 were fully utilised for general corporate purpose and working Capital requirements and there are no deviations in the proceeds utilisation as mentioned in the notice of Postal Ballot dated 04<sup>th</sup> December, 2020.

#### viii) Recommendations of Committees of the Board

There were no instances during the financial year 2021-22, wherein the Board had not accepted recommendations made by any committee of the Board.

#### ix) Auditors' Remuneration

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network of which the statutory auditor is a part, are as follows:-

Type of Services	Amount (₹ in Lakhs)
Audit Fees (including limited review)	22.00
Tax Audit Fee	2.00
Total	24.00

#### x) Details Regarding Sexual Harassment of Woman at Workplace

During the year, no complaint was received to the board, as per Policy on Anti Sexual Harassment of the Company, under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaints were pending as on the end of the financial year..

#### xi) Details regarding Loans and Advances in the nature of loans to firms/companies in which directors are interested by name and amount

There are no loans & advances provided by the company and its subsidiaries or to any firms/ companies in which the directors are interested.

#### xii) The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the Listing Regulations:

- The Auditor's Reports on the statutory Financial Statement of the Company are unmodified.
- The Internal Auditor presents the findings to the Audit Committee. The Internal

Auditor briefs the Audit Committee through discussions and presentations covering observations, review, comments and recommendations, etc.

## 8. SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The investor complaints are processed in centralized web based complaints redress system. The salient features of this system are Centralized database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaints and its current status.

## 9. MEANS OF COMMUNICATION

### - Quarterly Results

The Company publishes limited reviewed Un-Audited Standalone & Consolidated Financial Results on a quarterly basis. In respect of the fourth quarter, the Company publishes the Audited Financial Results both Standalone & Consolidated for the complete financial year.

### - Newspapers wherein results normally published

The quarterly, half-yearly and annual financial results are published in Business Standard in both English and Hindi Edition.

### - Website, where displayed

The financial results and the official news releases are also placed on the Company's website [www.hitechpipes.in](http://www.hitechpipes.in) in the investor relations section

### - Official news releases

Yes, the Company regularly publishes an information update on its financial results and also displays official news releases in the investor relations section.

### - Presentations made to institutional investors or to the analysts

The Company holds Conference calls and Analyst Meets to apprise and make public the information relating to the Company's working and future outlook.

## 10. GENERAL INFORMATION FOR SHAREHOLDERS

### a. Annual General Meeting

The details of Annual General Meeting are given in Notice of Annual General Meeting.

### b. Financial Calendar 2022-23 (tentative and subject to change)

First Quarterly Results	on or before August 14, 2022
Second Quarterly Results	on or before November 14, 2022
Third Quarterly Results	on or before February 14, 2023
Annual results	on or before end of May 30, 2023

### c. Date of Book Closure

The details of Book Closure are given in the Notice of Annual General Meeting.

### d. Dividend Payment Date, if declared

The Board of Directors of your Company declared a Final Dividend of ₹0.50 Paise i.e.5% per Equity Share for the Financial Year 2021-22. Payment of Dividend will be done within 30 Days from the date of approval of Shareholders in ensuing Annual General meeting.

### e. Listing on Stock Exchange

Equity Shares of the Company are Listed on:

#### - NSE (National Stock Exchange of India Limited),

Address: NSE Exchange Plaza, BandraKurla Complex, Bandra East, Mumbai-400051

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

#### - \*BSE Limited

Address: 1<sup>st</sup> Floor, New Trading Ring , Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai- 400 001

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

\*Note: BSE Limited vide its Notice No. 20211214-54 had given the Final Trading Approval for Listing and Trading of Equity Shares of the Company. With effect from Thursday, December 16, 2021, the equity shares of the Company had been listed and the trading members of the

Exchange was permitted to do business in the equity shares of the Company. Now, the Equity shares of the Company are available for trade on the Both Exchanges i.e. on National Stock Exchange of India Limited and BSE Limited.

Annual Listing Fees for the FY 2022-23 has been paid to the above Stock Exchanges. The Company has also paid annual custodial fees for FY 2022-23 to National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL).

**f. Stock Code**

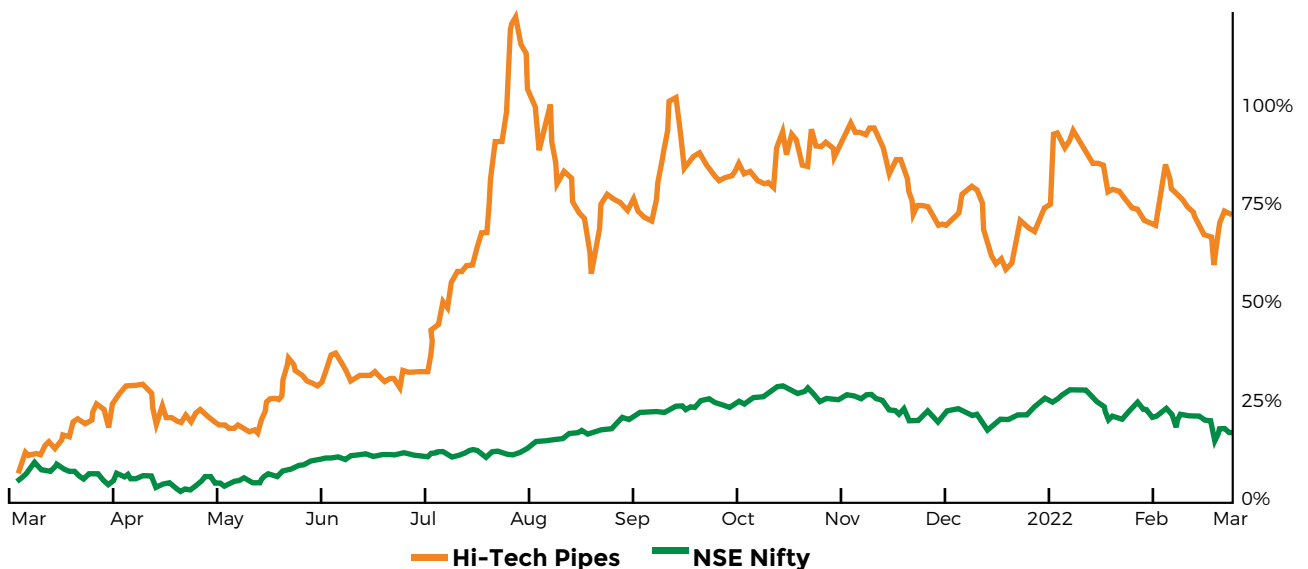
National Stock Exchange of India Limited	HITECH
BSE Limited	543411
International Securities Identification Number (ISIN) of Equity Shares	INE106T01017
CIN	L27202DL1985PLC019750

**g. Market Price Data**

Monthly high and Low market price data of Equity Shares traded on stock exchange(s):

Month	HI-TECH	
	High Price (₹)	Low Price (₹)
April, 2021	411.30	344.10
May, 2021	445.85	334.90
June, 2021	439.25	393
July, 2021	760	410
August, 2021	720	482.45
September, 2021	673	535.50
October, 2021	650	565
November, 2021	644.40	532.35
December, 2021	588	495.05
January, 2022	642.60	532.20
February, 2022	604	501.80
March, 2022	579	498.05

**h. Performance in comparison to broad-based indices such as NSE Nifty.**



## i. CREDIT RATING

**INFOMERICS VALUATION AND RATINGS PVT. LTD.**, the Credit Rating Agency, has assigned following ratings:

Instrument/ Facility	Amount (₹ Crore)	Ratings*	Rating Action
Long Term Fund Based Bank Facilities- Cash Credit	224.00	IVR A/Outlook: Stable (IVR Single A with Stable Outlook)	Assigned
Long Term Fund Based Bank Facilities- Term Loan	26.79	IVR A / Outlook: Stable (IVR Single A with Stable Outlook)	Assigned
Proposed Long Term Fund Based Bank Facilities – Cash Credit	35.00	IVR A / Outlook: Stable (IVR Single A with Stable	Assigned
Short Term Non-Fund Based Bank Facilities – Bank Guarantee	32.00	IVR A1 (IVR Single A One)	Assigned
Short Term Non-Fund Based Bank Facilities – Letter of Credit	80.00	IVR A1 (IVR Single A One)	Assigned
Proposed Short Term Non-Fund Based Bank Facilities – Bank Guarantee/Letter of Credit	27.21	IVR A1 (IVR Single A One)	Assigned
Proposed Commercial Paper	10.00	IVR A1* (IVR A One)	Reaffirmed
<b>Total</b>	435.00 (INR Four Hundred and Thirty Five Crore Only)		

**BRICKWORKRATINGS**, the credit rating agency, has assigned the Long term credit rating **BWRA-** (Pronounced as **BWR Single A Minus**) (Outlook: Stable) and Short term credit rating have been assigned **BWRA2** (Pronounced as **BWR A TWO**).

## j. ADDRESS FOR CORRESPONDENCE BY INVESTORS

### - Registrar & Share Transfer Agent

M/s Bigshare Services Private Limited is the Registrar and Transfer Agent (RTA) of the Company in respect of the Equity shares held in Demat and Physical mode, if any. All work related to Shares Registry, both in physical and electronic form, is handled by the Company's Registrar & Share Transfer Agent. Its address is as follows:

### **M/s Bigshare Services Private Limited**

**Delhi Office:** 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019  
Tel: 011-42425004, 47565852  
bssdelhi@bigshareonline.com  
www.bigshareonline.com

- **Mr. Arun Kumar Company Secretary** is the Compliance Officer as per Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Investors' complaint may also be addressed to him at the following address:

### **Company Secretary**

Hi-Tech Pipes Limited  
Registered Office: 505, Pearls Omaxe Tower,  
Netaji Subhash Place, Pitampura,  
New Delhi-110034  
Tel. +91-11-48440050  
Email: cs@hitechpipes.in, info@hitechpipes.in

## k. Share Transfer System

Trading in equity shares of the Company through recognised stock exchange can be done only in dematerialised form.

**I. Distribution of Shareholding by size as on 31.03.2022**

SR NO	SHAREHOLDING OF NOMINAL		NUMBER OF SHAREHOLDERS	% TO TOTAL	SHARES	% TO TOTAL
1	1	500	5079	87.84	361700	2.95
2	501	1000	251	4.34	198858	1.62
3	1001	2000	146	2.53	227043	1.85
4	2001	3000	95	1.64	249610	2.03
5	3001	4000	42	0.73	146178	1.19
6	4001	5000	31	0.54	141356	1.15
7	5001	10000	54	0.93	403220	3.29
8	10001	999999999	84	1.45	10543135	85.92
TOTAL			5782	100.0000	12271100	100

**m. Dematerialization of shares and liquidity**

The shares of the Company are tradable compulsorily in demat form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). As on March 31, 2022, 100% of the Company's total share capital was held in dematerialized form.

**n. Outstanding GDRs /ADRs /Warrants or any Convertible instruments, conversion date and likely impact on equity**

As on the date of this report, out of 13,70,000 Fully Convertible Warrants (FCW) issued and allotted in January, 2021, only 25,000 FCWs are pending for conversion.

Other than above, the Company has not issued any ADRs, GDRs or any other convertible instruments.

**o. Plant Locations**

**Unit-1:** Plot No. 10, UPSIDC Sikandrabad, Bulandshahar Uttar Pradesh-203 205

**Unit-2:** Plot No. 16, UPSIDC Sikandrabad, Bulandshahar Uttar Pradesh-203 205

**Unit-3:** Plot No. E-6, GIDC BOL-II, Sanand, Ahmedabad Gujarat-382 170

**p. Subsidiaries' Plant Location**

**HTL METAL PVT. LTD.:** 41-B, Gollapuram Hindupur Andhra Pradesh-515 211

**HTL ISPAT PVT. LTD.:** Survey No. 33, 2/A/2, Ajiwali Village, Khalapur, Main Khopoli-Pen Highway Rajgad, Maharashtra-410203

**q. Registered Office**

The Registered Office of the Company is 505, Pearl Omaxe Tower, NetajiSubhash Place, Pitampura, New Delhi-110034

**11. MD/CFO CERTIFICATION**

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman and Managing Director and the Chief Financial Officer of the Company have given compliance certificate, stating therein the matter prescribed under Part B of Schedule II of the said regulations. Copy of the Certificate is enclosed with the report.

In terms of Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman and Managing Director and CFO certified the financial results while placing the final results before the board.

**12. PROMOTER AND CONTROLLING GROUP**

The Promoter/ Promoter Group(s) of the Company are as follows:

S. No.	Name
1	Mr. Ajay Kumar Bansal
2	Mr. Anish Bansal
3	Mrs. Parveen Bansal
4	Mr. Vipul Bansal
5	Ajay Kumar & Sons HUF
6	Ms. Shweta Bansal
7	Mr. Richi Bansal
8	Mr. Naresh Kumar Bansal
9	Mr. Krati Bansal
10	Mrs. Kumud Bansal
11	M/s Hi-Tech Agrovision Private Limited
12	M/s AKS Buildcon Private Limited

**13. OTHER REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and



Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange(s). Further, compliance of other requirements of the said regulations is provided below:

i. Non-Executive Chairman's Office:

The Chairman of the Company is an Executive Chairman and hence this provision is not applicable.

All Independent Directors are appointed/reappointed in accordance with guidelines determined by the Board from time to time. Further, all the independent directors of the Company possess good qualifications and experience which is very useful to the Company and they contribute effectively to the Company in their capacity as Independent Directors of the Company. No maximum tenure has been specifically determined for the Independent Director

ii. Nomination and Remuneration Committee:

The Company has formed a Nomination and Remuneration Committee. The details of Nomination and Remuneration Committee as to scope and composition are detailed out earlier in this report.

iii. Shareholders' Rights:

According to the Applicability of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Quarterly and Annual financial results of the Company are duly published in English language in newspapers having nation-wide circulation and also in regional language newspapers of the registered office of the Company. Further, these results are also posted on the website of the Company [www.hitehpipes.in](http://www.hitehpipes.in).

iv. Presently Mr. Ajay Kumar Bansal holds the position of Chairman and Managing Director of the Company

v. Internal Audit

The Company has appointed M/s BAS & Co. LLP, Chartered Accountants as the Internal Auditor for conducting the internal audit and reports to board of directors and CFO and has direct access to the Audit Committee.

vi. Audit Qualifications/ Remarks

There is no observation or remarks made by the Auditors.

vii. Mechanism of evaluation of Non-Executive Directors

The Board of Directors including Non-Executive Directors is cast with the responsibility of strategic supervision of the Company. In view of the same, the Board evaluates its Non-Executive Directors on the basis of individual contribution towards fulfillment of this responsibility.

Viii. Policy on Material Subsidiary

1. The Company shall consider a subsidiary as a material subsidiary if it satisfies any of the following criteria:

- a. the investment of the Company in the Subsidiary exceeds twenty per cent (20%) of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- b. the Subsidiary has generated twenty per cent (20%) of the consolidated income of the Company during the previous financial year.

2. The Board shall appoint one of the Independent Director of the Company as a Director on the board of directors of the Material Non-Listed Indian Subsidiary.

3. The Company shall follow such governance procedures in relation to Material Subsidiaries as may be outlined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Act from time to time.

4. The Company shall not

- a. dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than fifty percent (50%)/ cease the exercise of control over the Subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal; or
- b. sell, dispose and/or lease assets amounting to more than twenty percent

(20%) of the assets of the Material Subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

5. The Management of the Company shall monitor and ensure that as and when any of the subsidiary is determined as a Material Subsidiary the same shall be intimated to the Audit Committee. The Audit Committee shall review the same and make suitable recommendations to the Board to ensure compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard.

- (a) monitoring shall be done as and when an investment is made in any of the Subsidiary(s).
- (b) monitoring shall be done at the time of finalizing the consolidated audited accounts.

This Policy may be amended by the Board from time to time to be in line with any amendments made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Act and such other guidelines issued by SEBI.

During the year under review HTL Metal Private Limited (Wholly Owned Subsidiary) identified as Material Subsidiary. The

Secretarial Audit Report of HTL Metals Private Limited is available at the website of the Company under Investor Section and also forms part of this Annual Report.

#### 14. COMPLIANCE CERTIFICATE FROM THE SECRETARIAL AUDITORS OF THE COMPANY

Certificate from NSP & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated in 34(3) and 53(f) read with part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 15. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements adherence to code of conduct and applicable Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, Companies Act, 2013. The Company Secretary of your Company is also designated as Compliance Officer.

## Declaration on Code of Conduct

To  
The Members of Hi-Tech Pipes Limited

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended 31 March 2022, as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**Ajay Kumar Bansal**  
Managing Director

New Delhi  
14 May, 2022

## Report on Compliance of Conditions of Corporate Governance

To  
The Members of Hi-Tech Pipes Limited

We have examined the compliance of conditions of Corporate Governance by Hi-Tech Pipes Limited ("the Company"), for the year ended 31st March, 2022, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange(s).

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

For NSP & Associates  
Company Secretaries

Sd/-

**Naveen Shree Pandey**

(Proprietor)

FCS No. 9028

C.P. No. 10937

UDIN: F009028D000320493

Peer Review Certificate No: 1797/2022

Place: Noida, UP

Date: 14th May, 2022

## Certificate of Non-Disqualification of Directors

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

To,

The Members of HI-Tech Pipes Ltd  
(CIN: L27202DL1985PLC019750)  
505, Pearl Omaxe Tower,  
Netaji Subhash Place,  
Pitampura, New Delhi - 110034

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HI-Tech Pipes Ltd. having CIN: L27202DL1985PLC019750 and having registered office at 505, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

DIN	Full Name	Designation	Date of Appointment	DIN Status
00670250	Anish Bansal	Whole-time Director	19/02/2009	Approved
01070123	Ajay Kumar Bansal	Managing Director	02/01/1985	Approved
01183098	Vivek Goyal	Director	30/01/2018	Approved
08058166	Prashant Kumar Saxena	Director	30/01/2018	Approved
08679454	Neerja Kumar	Director	22/01/2020	Approved
08936325	Mukesh Kumar Garg	Director	03/12/2020	Approved

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

For NSP & Associates

Sd/-

**Naveen Shree Pandey**

Membership No.: FCS-9028

CP No.: 10937

UDIN: F009028D000320482

Peer Review Certificate No: 1797/2022

Place: Noida, UP

Date: 14th May, 2022

## CEO'S/CFO's Certificate

### The Board of Directors

#### Hi Tech Pipes Limited

We certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee, wherever applicable,
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

### For Hi-Tech Pipes Limited

#### Ajay Kumar Bansal

Chairman and Managing Director

#### Arvind Bansal

CFO

Date: 14<sup>th</sup> May, 2022

Place: New Delhi

# Business Responsibility Report

The Directors present the Business Responsibility Report of the Company for the Financial year ended on 31st March, 2022, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number of the Company: L27202DL1985PLC019750
2. Name of the Company: Hi-Tech Pipes Limited
3. Registered address: 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, Delhi- 110034
4. Website: www.hitechpipes.in
5. E-mail id: cfo@hitechpipes.in  
(Mr. Arvind Kumar Bansal, Chief Financial Officer)
6. Financial Year reported: April 01, 2021 – March 31, 2022
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

The Company is primarily engaged in the business of manufacturing of Steel Tubes, Pipes and Coils, the industrial activity codes are 24311

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

### The key products are :-

1. **Black Hollow Section and Round Pipe**
2. **Galvanised and Pre Galvanised Pipes**
3. **Cold Rolled Coils (CR)**

9. Total number of locations where business activity is undertaken by the Company:
  - (a) Number of International Locations: The Business activities are undertaken in India only.
  - (b) Number of National Locations: 4 Locations i.e. Uttar Pradesh, Maharashtra, Gujarat and Andhra Pradesh.
10. Markets served by the Company – Local/State/ National/International

The Company is serving All the Markets presence across the Country with more than 390 Dealers and

Distributors

The Business activities/ manufacturing/ production units are undertaken in India only, however our products are exported to various countries.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Equity Capital (INR): ₹ 12.27 lakhs divided into 12271100 equity shares of ₹ 10 each.
2. Total Turnover (INR): ₹ 1,51,188.85 lakhs (Standalone); ₹ 1,87,884.73 lakhs (Consolidated)
3. Total profit (loss) after taxes (INR): ₹ 2,987.17 lakh (Standalone); ₹ 4032.61 lakh (Consolidated)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax: ₹ 63.30 lakh i.e. 2.11 %

The Company had to spend the complete amount required to be spent on the CSR activity in terms of Section 135 of the Companies Act, 2013 read with Rules made thereunder.

5. List of activities in which expenditure in 4 above has been incurred:-

The Major Activities in which the above CSR expenditure has been incurred include:

- Ensuring Environmental Sustainability

The initiatives undertaken by the company are in line with the eligible areas mentioned in Schedule VII of Companies Act, 2013. For more details, please refer CSR report annexed to the Board's Report.

## SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? - Yes, the Company has 3 Wholly Owned Subsidiary Companies as on 31st March, 2022. (a) HTL Metal Private Limited (b) HTL Ispat Private Limited and (c) Hitech Metalex Private Limited.
2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s) - No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business

with, participate in the BR initiatives of the Company?

- No, there are no other entity that the Company does business participates in the BR initiatives of the Company

## SECTION D: BUSINESS RESPONSIBILITY INFORMATION

### 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1. DIN Number - 00670250
2. Name - Mr. Anish Bansal
3. Designation - Whole Time Director

(b) Details of the Business Responsibility head

No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Mr. Arvind Kumar Bansal
3	Designation	Chief Financial Officer
4	Telephone number	011-48440050
5	e-mail id	cfo@hitechpipes.in

### 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N):

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

Principle-wise index :

P-1	Business should conduct and govern themselves with ethics, transparency and accountability
P-2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P-3	Businesses should promote the wellbeing of all employees
P-4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P-5	Businesses should respect and promote human rights
P-6	Business should respect, protect, and make efforts to restore the environment
P-7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P-8	Businesses should support inclusive growth and equitable development
P-9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the policy/practice broadly conforms to the National Voluntary Guidelines (NVGs) issued by the Ministry of Corporate Affairs, Government of India, July, 2011.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner/ CEO/ appropriate Board Director?	All Statutory Policies are approved by the Board of Directors of the Company. Whereas other policies are signed by the respective Business/ Function Heads.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes Policies are overseen by the Respective Business/ Functional Heads								
6	Indicate the link for the policy to be viewed online?	Code of Conduct, CSR Policy, Vigil Mechanism, Whistle Blower Policy and Prevention of Sexual Harassment Policy are available on the website of the Company. The EHS Policy has been communicated to all the stakeholders of the Company.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
8	Does the company have in-house structure to implement the policy/ policies.					Yes					
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, Whistle Blower Policy and Vigil Mechanism is to ensure the grievance of the Employees, The Company has put in place the Stakeholder Relationship Committee to handle the grievances of the Shareholders. Further the Company has a dedicated email id i.e. <a href="mailto:info@hitechpipes.in">info@hitechpipes.in</a> where all the Customer Complaints are taken care off.									
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	All the policies have been formulated taking into account the stakeholders' expectations and the Company periodically reviews policies.									

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2. options) : Not Applicable

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or man-power resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.:

No Committee of the Board has been exclusively designated for dealing with this matter. However, all the aspects of Business Responsibility are reviewed by various other committees of the Board/Executives.

(b) Does the Company publish a BR or a Sustainability Report?

- Yes

What is the hyperlink for viewing this report?

- [www.hitechpipes.in](http://www.hitechpipes.in)

How frequently it is published? :- Annually,

In accordance to the applicability criteria prescribed under Regulation 34 of SEBI (LODR) Regulations, 2015, All the Companies who are in the top 1000 Companies List as per the market capitalization data released by the Stock Exchanges shall ensure the adaptability of Business Responsibility in the Company and shall report the same Annually along with the Directors Report. Therefore Hi-Tech Pipes Limited which is in the TOP 1000 Companies List as per the MCAP Data released by NSE, has implemented the Business Responsibility Principles

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### PRINCIPLE 1 : BUSINESS SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs / Others?

The policy relating to ethics, bribery and corruption is applicable only to the Company. However, the Code of Conduct and Whistle Blower Policy of the Company cover other stakeholders as well.

The Company's policies relating to Governance rest on adhering to ethics, transparency in dealing with stakeholders, adequate and timely disclosure etc. These policies are similar across all the entities in the Group. All stakeholders of the Company- internal as well as external are expected to work within the framework of the aforesaid policies/principles. In the selection of its vendors and contractors, the Company ensures to identify and deal with those



who can maintain and follow ethical standards. The Company further on a regular basis endeavours to reiterate awareness and also impart training on these values to its employees. The relevant stakeholders of the Company are also made aware of the said values from time to time

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Company does not receive any Complaint during the FY 2021-22

**PRINCIPLE 2 : BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.-

- (i) Galvanized Pipes
- (ii) Pre-Galvanized Pipes
- (iii) Cold Rolled Strips (CR)

2. For each such product, provide the details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): The Company continues to lay major emphasis on conservation of energy and the measures taken during the previous years in the said regard were continued. Pipes and tubes manufactured by the Company are used by diverse consumer range and therefore it is not possible to measure the usage (energy, water) by them. Exact saving figures are not ascertainable.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company focuses on environmental impacts of sourcing and continually works with the vendors and suppliers to reduce the same. We are aware that most of the vendors/suppliers for key raw material are working on sustainable basis. Transportation and logistics optimization is an ongoing activity to reduce the relative environmental impacts.

4. Has the Company taken any steps to procure goods and services from local & small producers, including

communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company has always been committed to providing skill development and employment to local businesses in rural areas and recruitment of rural youth for local sales operations. A major portion of the procured goods and services are de-centralized to local offices in the various States.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.: The Environment Management Practices of the Company focus on the conservation of /natural resources. It has stringent waste management policies for internally generated wastes. Solid waste/sludge from water and waste treatment plants and process waste from the factories is disposed in a controlled manner as per policy.

**PRINCIPLE 3 : BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES**

1. Please indicate the total number of employees - 580
2. Please indicate the total number of employees hired on temporary/contractual/casual basis - 575
3. Please indicate the number of permanent women employees - 5
4. Please indicate the Number of permanent employees with disabilities - Not Applicable
5. Do you have an employee association that is recognized by management - No such employee association is recognized by the Management
6. What percentage of your permanent employees are members of this recognized employee association? - Not Applicable
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	The Company does not employ such labour.	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

8. What percentage of your under mentioned employees were given safety & skill up -gradation training in the last year?

- Permanent Employees – As per Requirement
- Permanent Women Employees - As per Requirement
- Casual/Temporary/Contractual Employees - As per Requirement
- Employees with Disabilities - Not Applicable

**PRINCIPLE 4 : BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED**

- Has the company mapped its internal and external stakeholders? - Yes.
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. – Yes, the Company has identified the disadvantaged and vulnerable stakeholders in and around the Company's plants
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

The Company proactively engages with and responds to those sections of the society that are disadvantaged, vulnerable and marginalized.

**PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

- Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs/Others? - The Company's policy and practices relating to protection of human rights viz., non-engagement of child labour, assuring safety measures etc. is applicable to the Company and its subsidiaries as

well as to the contractors engaged by the Company. The Company and its subsidiaries respects the rights and dignity of all individuals whether employees, contractors or suppliers and upholds the principles of human rights. The Company's commitment to human rights and fair treatment is properly defined. This provides for conduct of operations with honesty, integrity and openness with respect for human rights and interests of employees. The Company believes that a sustainable organisation rests on a foundation of ethics and respect for human rights.

- How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? - No complaints of this nature were received in this financial year.

**PRINCIPLE 6 : BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

- Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

The policy and practices relating to Principle 6 primarily cover only the Company and its group companies. However, there is an endeavor to do business with such entities which have adopted this principle.

- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company is contributing towards global environment by complying with ISO Certification i.e., ISO 9001, under the Integrated Management System, in each and every process of the Company.

- Does the company identify and assess potential environmental risks? Y/N -

Yes, The Company identifies and assesses potential environmental risks periodically across its plant operations and projects. Company has constantly been investing in latest and best technology to reduce emissions as per Environment norms.

- Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? - No the Company has not undertaken any specific project related to the Clean Development Mechanism.
- Has the company undertaken any other initiatives

on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. –

Yes, as a part of renewable energy the Company has installed various solar power panels to save energy.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? –

Yes, all of the Company’s emissions/waste generated during the reporting period were within the regulatory defined limits.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. – NIL

**PRINCIPLE 7 : BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: - Yes, AllFA (All India Induction Furnaces Association)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

- The Company has been extensively using platforms of the above Trade Association/ Chambers and has been taking advocacy positions from time to time in the areas of Corporate Legal Reforms, Economic Reforms, Social Security, Water Conservation, Sustainable Business Principles, etc.

**PRINCIPLE 8 : BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof. - Yes, such details are forming part of CSR Report.

2. Are the programmes/ projects undertaken through in  
 - house team/own foundation/external NGO/ government structures/any other organization? - Depending on the various aspects, programmes/ projects are undertaken either in-house or through in collaboration with other external organizations

3. Have you done any impact assessment of your initiative?

- The Company routinely monitors the effectiveness of its CSR initiatives.

4. What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken. - For such details, please refer CSR Report annexed to the Director’s Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. - Wherever a factory plant setup, we strive to engage local communities through employment opportunities and community welfare measures. We lay emphasis on skill development and employment generation to improve the skillset and in turn, their standard of living. Initiatives are identified based on the requirement of the community such that the benefits out of them are of an enduring nature.

**PRINCIPLE 9 : BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year

- No customer complaints/consumer cases were pending as at the end of financial year 2021-22.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information) –

- Yes, the Company adheres to all product labeling and product information requirements as per the local laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year.

There is no unfair trade practices cases filed or pending against the Company.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, we carry out consumer surveys to identify needs of consumers and use this information for product development.

# CONSOLIDATED FINANCIAL STATEMENTS



## Independent Auditor's Report

### TO THE MEMBERS OF HI-TECH PIPES LIMITED

#### Report on the audit of Consolidated Financial Statements

##### OPINION

We have audited the accompanying consolidated financial statements of HI-TECH PIPES LIMITED (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/loss, comprising the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statement, and details of subsidiaries as follows:-

- a) HTL Metal Private Limited,
- b) HTL Ispat Private Limited,
- c) Hitech Metalex Private Limited

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies ( Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit including other comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

##### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant

to our audit of the consolidated financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

**The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Parent company's annual report, but does not include the consolidated financial statements and our auditors' 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 consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

##### RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for matters stated in section 134(5) of the Act with regards to the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position,

consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

✦ Identify and assess the risks of material misstatement

of the 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.

- ✦ Obtain an understanding of internal financial control 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 Parent Company and its subsidiaries, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ✦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ✦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ✦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ✦ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements; we remain solely responsible for our audit opinion.

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 consolidated financial statements

We believe that audit evidence obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our

examination of those books, returns and the reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2022 taken on record by the Board of Directors of the Parent, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (g) With respect to other matter 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/provided by the parent company to its directors during the year is in accordance with the provisions of Section 197 of the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements of the company have disclosed the impact of pending litigations on its consolidated

- financial position in its consolidated financial statements.
- ii. The Group did not have any long term contracts include derivative contracts. Hence the question of any foreseeable losses does not arise.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.
  - iv. (a) The respective Managements of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, 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 Parent or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in any other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b. The respective Managements of the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The board of director of Hi-Tech Pipes Ltd has proposed final dividend for the year which is subject to the approval of the members at the annual general meeting. The amount of dividend declared is in accordance with the section 123 of the Act to the extent it applies to declaration of dividend.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For A. N.GARG & COMPANY  
Chartered Accountants  
(FRN- 004616N)

**A. N. GARG**  
(FCA, Partner)  
(M.No.-083687)

Place: New Delhi  
Date: 14th May, 2022  
(UDIN: 22083687AIZMUB5901)



## Annexure- A

### To the Independent Auditor's Report

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

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

##### To the Members of Hi-Tech Pipes Limited

In conjunction with our audit of the consolidated financial statements of the Hi-Tech Pipes Limited ("Company" or "Parent Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of the Parent Company and its subsidiary companies, which are companies incorporated in India, as of that date.

##### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

##### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Group's internal financial controls with reference to financial statements of Parent Company and its subsidiary companies, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls with reference to financial statements.

##### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Group's internal financial control with reference to financial statements 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 Group's internal financial control with reference to financial statements 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 Group; (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 Group are being made only in accordance with authorizations of management and directors of respective companies in the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use,

or disposition of the Group'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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matter paragraph, the Parent Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls

with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### **Other Matters**

Our aforesaid reports under section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For A. N.GARG & COMPANY  
Chartered Accountants  
(FRN- 004616N)

**A. N. GARG**  
(FCA, Partner)  
(M.No.-083687)

Place: New Delhi  
Date: 14th May, 2022  
(UDIN: 22083687AIZMUB5901)

## Consolidated Balance Sheet

As at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>I ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipments	2	23,895.42	20,248.95
(b) Capital Work-in-Progress	3	2,896.64	2,988.16
(c) Other Intangible assets	4	2.00	1.25
(d) Financial Assets			
(i) Investments	5	0.03	0.03
(ii) Other Financial Asset	6	437.77	417.53
(e) Other non-current assets	7	663.01	523.92
<b>Total Non-Current Asset</b>		<b>27,894.87</b>	<b>24,179.84</b>
<b>Current Assets</b>			
(a) Inventories	8	25,940.70	18,847.07
(b) Financial Assets			
(i) Trade receivables	9	16,741.14	12,060.58
(ii) Cash and cash equivalents	10	90.33	63.40
(iii) Bank balances	11	1,617.08	1,629.25
(c) Other current assets	12	4,647.88	3,148.23
<b>Total Current Assets</b>		<b>49,037.13</b>	<b>35,748.53</b>
<b>Total Assets</b>		<b>76,932.00</b>	<b>59,928.36</b>
<b>II EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	1,227.11	1120.61
(b) Other Equity	14	24,634.79	19,398.72
<b>Total Equity</b>		<b>25,861.90</b>	<b>20,519.33</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	14,687.33	11,617.26
(ii) Other financial liabilities	16	104.64	79.80
(b) Provisions	17	95.92	89.72
(c) Deferred tax liabilities (Net)	18	1,835.44	1519.40
<b>Total Non-Current Liabilities</b>		<b>16,723.33</b>	<b>13306.18</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	21,762.13	17,892.54
ii) Trade payables	20		
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues of creditors other than micro and small enterprises		7,966.06	4,922.97
(iii) Other financial liabilities	21	2,989.17	2,269.24
(b) Other current liabilities	22	312.71	317.85
(c) Provisions	23	408.95	418.28
(d) Current Tax Liabilities (Net)	18	907.77	281.98
<b>Total Current Liabilities</b>		<b>34,346.79</b>	<b>26,102.85</b>
<b>Total Liabilities</b>		<b>51,070.12</b>	<b>39,409.03</b>
<b>Total Equity &amp; Liabilities</b>		<b>76,932.00</b>	<b>59,928.36</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**

Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**

Managing Director  
DIN : 01070123

**Anish Bansal**

Director  
DIN : 00670250

**A.N. GARG**

(FCA, Partner)  
M.No. 083687

**Arvind Bansal**

Chief Financial Officer

**Arun Kumar**

Company Secretary

Place: New Delhi  
Date: May 14th, 2022

## Consolidated Statement of Profit & Loss

For the Year ended 31 March, 2022

(₹ in Lakhs), Except per share data and as stated otherwise

Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
<b>I</b> Revenue from operations	24	1,87,884.73	1,34,063.35
<b>II</b> Other income	25	93.67	79.71
<b>III Total income (I + II)</b>		<b>1,87,978.41</b>	<b>1,34,143.06</b>
<b>IV Expenses:</b>			
Cost of materials consumed	26	1,73,534.03	1,20,048.59
Purchases of stock-in-trade		250.51	1,565.00
Changes in inventories of finished goods, wip and stock-in-trade	26	(3,856.95)	(593.83)
Employee benefits expense	27	2,198.57	1,877.78
Finance costs	28	3,647.00	3,228.68
Depreciation and Amortization Expenses	29	966.24	832.27
Other expenses	30	5,706.75	4,085.46
<b>Total expenses</b>		<b>1,82,446.15</b>	<b>1,31,043.96</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>5,532.26</b>	<b>3,099.11</b>
<b>VI Exceptional items (refer note 46)</b>			
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>5,532.26</b>	<b>3,099.11</b>
<b>VIII Tax expense/(benefit):</b>			
Current tax	18	1,122.96	479.91
Deferred tax	18	230.77	269.59
Previous Year Adjustments		58.44	-
MAT Credit Entitlement		87.47	69.31
<b>Total Tax Expense</b>		<b>1,499.64</b>	<b>818.82</b>
<b>IX Profit/(loss) for the years (VII-VIII)</b>		<b>4,032.62</b>	<b>2,280.29</b>
<b>X Other comprehensive income</b>			
<b>A</b> i) Items that will not be reclassified to profit or loss viz Remasurement of the Defined Benefits Plan to Employees		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total (A)</b>		<b>-</b>	<b>-</b>
<b>B</b> i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		-	-
(b) Changes in Foreign Currency Monetary Item translation difference		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total (B)</b>		<b>-</b>	<b>-</b>
<b>Total Other comprehensive income / (loss) (A+B)</b>		<b>-</b>	<b>-</b>
<b>XI Total comprehensive income / (loss) (IX + X)</b>		<b>4,032.62</b>	<b>2,280.29</b>
<b>XII Earnings per equity share of Re. 10 each (refer note 31)</b>			
<b>Basic</b>		33.77	20.85
<b>Diluted</b>		33.70	18.96

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**  
Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**  
Managing Director  
DIN : 01070123

**Anish Bansal**  
Director  
DIN : 00670250

**A.N. GARG**  
(FCA, Partner)  
M.No. 083687

**Arvind Bansal**  
Chief Financial Officer

**Arun Kumar**  
Company Secretary

Place: New Delhi  
Date: May 14th, 2022

## Consolidated Statement of Changes In Equity

For the year ended 31 March, 2022

### A. Equity Share Capital

#### (1) Previous Reporting Period

(₹ in Lakhs)

As at 01.04.2020	Changes in Equity share capital during the year	As at 31.03.2021
1,092.61	28.00	1,120.61

#### (2) Current Reporting Period

(₹ in Lakhs)

As at 01.04.2021	Changes in Equity share capital during the year	As at 31.03.2022
1,120.61	106.50	1,227.11

### B. Other Equity

Particulars	Reserves & Surplus					Total
	Security Premium Reserve	Retained Earnings	General Reserve	Money Received Against Share Warrant	Capital Reserve	
<b>Opening Balance as at 01 April, 2020</b>	<b>4,188.97</b>	<b>8,558.08</b>	<b>3,145.60</b>	-	<b>375.00</b>	<b>16,267.66</b>
Money received against Share Warrants	-	-	-	446.90	-	<b>446.90</b>
Share premium on conversion of Share Warrants Into Equity share	431.20	-	-	-	-	<b>431.20</b>
Dividend paid	-	(27.32)	-	-	-	<b>(27.32)</b>
Profit for the year	-	2,280.29	-	-	-	<b>2,280.29</b>
<b>Balance as at 31 March, 2021</b>	<b>4,620.17</b>	<b>10,811.05</b>	<b>3,145.60</b>	<b>446.90</b>	<b>375.00</b>	<b>19,398.72</b>
Money received against Share Warrants	-	-	-	1,309.95	-	<b>1,309.95</b>
Share premium on conversion of Share Warrants Into Equity share	1,640.10	-	-	-	-	<b>1,640.10</b>
Conversion of Share Warrants into Equity	-	-	-	(1,746.60)	-	<b>(1,746.60)</b>
Profit for the year	-	4,032.62	-	-	-	<b>4,032.62</b>
<b>Balance as at 31 March, 2022</b>	<b>6,260.27</b>	<b>14,843.67</b>	<b>3,145.60</b>	<b>10.25</b>	<b>375.00</b>	<b>24,634.79</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

#### For A.N. GARG & COMPANY

Chartered Accountants  
FRN - 004616N

#### Ajay Kumar Bansal

Managing Director  
DIN : 01070123

#### Anish Bansal

Director  
DIN : 00670250

#### A.N. GARG

(FCA.Partner)  
M.No. 083687

Place: New Delhi

Date: May 14th , 2022

#### Arvind Bansal

Chief Financial Officer

#### Arun Kumar

Company Secretary

## Consolidated Cash Flow Statement

For The Year Ended March 31, 2022

(₹ in Lakhs)

PARTICULARS	For the year ended 31.03.2022		For the year ended 31.03.2021	
<b>A. CASH FLOW FROM THE OPERATING ACTIVITIES</b>				
<b>Net Profit Before Tax and Extra Ordinary Activity</b>		5532.26		3099.11
Add/(Less) Adjustments for:				
Depreciation and amortization expenses	966.24		832.27	
Interest Received	(81.52)		(78.19)	
Finance Costs	3647.00		3228.68	
		4531.72		3982.76
<b>Operating Profit Before Working Capital Changes</b>		<b>10063.98</b>		<b>7081.86</b>
Adjustments for:-				
Increase / (Decrease) Trade Paybles	3043.10		(684.04)	
Increase / (Decrease) Current Liabilities	570.67		219.19	
Increase / (Decrease) Other Current Liabilities	(66.58)		205.79	
(Increase) / Decrease Loan & Advances	(1514.08)		(628.09)	
(Increase) / Decrease Trade Receivable	(4680.56)		1667.06	
(Increase) / Decrease Inventories	(7093.63)		(969.93)	
		<b>(9741.07)</b>		<b>(190.01)</b>
Cash Generated from Operations		<b>322.91</b>		<b>6891.85</b>
Direct Taxes Paid		429.33		479.91
<b>A. NET CASH FLOW FROM THE OPERATING ACTIVITIES</b>		<b>(106.42)</b>		<b>6411.94</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Addition to /Advance for Capital Assets		(145.32)		(261.57)
Bank deposits considered other than Cash and cash equivalents		12.17		175.38
Increase/ (Decrease) in Non Current Financial assets		46.26		(47.88)
Purchase of Fixed Asset		(4521.94)		(3828.98)
<b>Net Cash Flow From Investing Activities</b>		<b>(4608.82)</b>		<b>(3963.05)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Net Proceeds on conversion of Share Warrants		1309.95		906.10
Dividend Paid (Including taxes)		-		(27.32)
Increase/ (Decrease) in Long Term Borrowings		3070.58		2421.21
Increase/ (Decrease) in Short Term Borrowings		3927.23		(2758.57)
Increase/ (Decrease) in Other Non-current Assets		(0.09)		151.09
Interest Received		81.52		78.19

(₹ in Lakhs)

PARTICULARS	For the year ended 31.03.2022		For the year ended 31.03.2021	
Finance Costs		(3647.00)		(3228.68)
<b>Net Cash Flow Used In Financing Activities</b>		<b>4742.19</b>		<b>(2457.97)</b>
<b>Net Increase/ (Decrease) Changes in Cash &amp; Cash Equivalent (A+B+C)</b>		<b>26.94</b>		<b>(9.08)</b>
Cash and Cash Equivalent at the Beginning of the Year*		63.40		72.50
<b>Cash and Cash Equivalent at the Closing of the Year</b>		<b>90.33</b>		<b>63.40</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**

Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**

Managing Director  
DIN : 01070123

**Anish Bansal**

Director  
DIN : 00670250

**A.N. GARG**

(FCA, Partner)  
M.No. 083687

**Arvind Bansal**

Chief Financial Officer

**Arun Kumar**

Company Secretary

Place: New Delhi

Date: May 14th , 2022

# Notes to the Consolidated Financial Statements

## Background

Hi-Tech Pipes Limited is a Public company limited by shares, incorporated and domiciled in India. Its registered office is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India and principal place of business is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India.

The Company is in the business of manufacturing of ERW Steel Round & Section Pipes, cold Rolled Strips & Engineering Products and distribution of the same across india

## Note 1. Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### a) Basis of preparation:

#### i) Compliance with Ind AS :

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These Financial Statements have been prepared under applicable Ind AS-Rules and Provisions of Companies Act 2013

#### ii) Accrual basis of accounting

#### iii) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis except for certain financial assets and liabilities that are measured at fair value

### b) Foreign currency transactions:

#### i) Functional and presentation currency:

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (₹), which is also the functional and presentation currency of the Company.

#### ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income | (expense). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

### c) Revenue recognition:

#### i) Timing of recognition :

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company.



## Notes to the Consolidated Financial Statements

This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

### ii) Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, GST ( Goods & Service Tax ) etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer, irrespective of whether the goods are sold or not.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

### d) Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions

where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

## Notes to the Consolidated Financial Statements

### e) Government grants:

- i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.
- iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

### f) Leases:

#### As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

#### As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception

of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually. Lease rental attributable to the operating lease are charged to Statement of Profit and Loss as lease income whereas lease income attributable to finance lease is recognised as finance lease receivable and recognised on the basis of effective interest rate.

### g) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

## Notes to the Consolidated Financial Statements

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value: Depreciation is provided on the Straight Line Method to allocate the cost of assets, net of their residual values, over their estimated useful lives :

Asset category	Estimated useful life
Factory Buildings	30 years
Plant and equipment	10 to 30 years
Vehicle	8 to 10 years
Office equipment and furniture	5 years
Furniture & Fittings	10 years
Computers	3 to 6 years

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

### Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

### h) Intangible assets:

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services. Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent. Computer software cost is amortised over a period of 5 years using Straight Line Method.

### Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured under IGAAP as the deemed cost of intangible assets.

### i) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs.

### j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

### k) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### l) Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

### m) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless

## Notes to the Consolidated Financial Statements

payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

### n) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost is arrived at on moving weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

### o) Investments and other financial assets:

#### Classification:

The Company classifies its financial assets in the following measurement categories:

Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

#### Those measured at amortised cost

The classification depends the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

#### Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

#### Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- ii) Amortised cost

#### Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

#### Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

#### Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured

## Notes to the Consolidated Financial Statements

using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

### Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

### Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

### Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

### De-recognition:

A financial asset is de-recognised only when the Company

- i) has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the

## Notes to the Consolidated Financial Statements

gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### Financial liabilities:

#### i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

#### iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

#### p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a

net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

## Notes to the Consolidated Financial Statements

### s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### Employee benefits:

Short-term employee benefits:

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

#### Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

#### Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each

## Notes to the Consolidated Financial Statements

financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### t) Research and Development expenditure:

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

### u) Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

### v) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

- i) Estimation of useful life of tangible assets
- ii) Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

#### Note 27.18 Regrouped/ Recast/Reclassified

Figures of earlier year have been reclassified to conform to ind AS presentation requirement.

#### Note 27.19 Rounding off.

Figures less than 50000 have been shown at actual in brackets

#### Note 27.20 Authorisation for issue of the Financial statement

The Financial Statements were authorised for issue by the Board of Directors on May 14<sup>th</sup>, 2022



## Notes to the Consolidated Financial Statements

### 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Office Building	Factory Shed & Building	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicle	Tangibles Total
<b>Gross Carrying Amount as on 1 April 2020</b>	<b>2215.42</b>	<b>2956.44</b>	<b>1551.15</b>	<b>11863.09</b>	<b>79.55</b>	<b>35.10</b>	<b>272.11</b>	<b>552.57</b>	<b>19525.44</b>
<b>Addition</b>	500.01	144.71	778.37	2240.22	14.37	8.19	12.59	81.95	3780.41
<b>Disposal</b>	-	-	-	-	-	-	-	-	-
<b>Gross Carrying Amount as on 31 March 2021</b>	<b>2715.44</b>	<b>3101.15</b>	<b>2329.52</b>	<b>14103.31</b>	<b>93.92</b>	<b>43.30</b>	<b>284.70</b>	<b>634.52</b>	<b>23305.86</b>
<b>Addition</b>	532.02	0.00	67.40	3937.22	2.94	15.26	6.71	135.00	4696.55
<b>Disposal</b>	-	-	-	71.57	-	-	-	17.39	88.96
<b>Gross Carrying Amount as on 31 March 2022</b>	<b>3247.46</b>	<b>3101.15</b>	<b>2396.92</b>	<b>17968.96</b>	<b>96.86</b>	<b>58.56</b>	<b>291.41</b>	<b>752.13</b>	<b>27913.44</b>
<b>Accumulated depreciation/ amortisation and impairment</b>									
<b>Balance as at March 31, 2020</b>	<b>0.00</b>	<b>167.32</b>	<b>265.17</b>	<b>1531.11</b>	<b>35.00</b>	<b>21.87</b>	<b>76.25</b>	<b>131.43</b>	<b>2228.15</b>
Depreciation for the year	-	22.88	78.47	634.56	5.11	5.12	22.58	60.04	828.76
Depreciation on Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.2021</b>	<b>0.00</b>	<b>190.20</b>	<b>343.64</b>	<b>2165.67</b>	<b>40.11</b>	<b>26.99</b>	<b>98.83</b>	<b>191.47</b>	<b>3056.91</b>
Depreciation for the year		36.46	96.85	736.97	6.00	4.32	23.30	60.98	964.88
Depreciation on Disposals		-	-	0.39	-	-	-	3.37	3.76
<b>Balance as at 31.03.2022</b>	<b>0.00</b>	<b>226.65</b>	<b>440.49</b>	<b>2902.64</b>	<b>46.11</b>	<b>31.31</b>	<b>122.13</b>	<b>249.08</b>	<b>4018.03</b>
<b>Carrying Value</b>									
<b>As at 31.03.2022</b>	<b>3247.46</b>	<b>2874.50</b>	<b>1956.43</b>	<b>15066.31</b>	<b>50.75</b>	<b>27.25</b>	<b>169.28</b>	<b>503.05</b>	<b>23895.42</b>
<b>As at 31.03.2021</b>	<b>2715.44</b>	<b>2910.95</b>	<b>1985.88</b>	<b>11937.63</b>	<b>53.81</b>	<b>16.31</b>	<b>185.88</b>	<b>443.05</b>	<b>20248.95</b>
<b>As at 31.03.2020</b>	<b>2215.42</b>	<b>2789.13</b>	<b>1285.98</b>	<b>10331.98</b>	<b>44.55</b>	<b>13.23</b>	<b>195.86</b>	<b>421.15</b>	<b>17297.29</b>
<b>Useful life of Assets (Years)</b>	<b>NA</b>	<b>60</b>	<b>30</b>	<b>10-30</b>	<b>8-15</b>	<b>3-6</b>	<b>10</b>	<b>10</b>	
<b>Method of Depreciation</b>	<b>NA</b>	<b>SLM</b>	<b>SLM</b>	<b>SLM</b>	<b>SLM</b>	<b>SLM</b>	<b>SLM</b>	<b>SLM</b>	

### 3. CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Total
<b>As at 31.03.2021</b>	<b>2,988.16</b>
<b>As at 31.03.2022</b>	<b>2,896.64</b>

## Notes to the Consolidated Financial Statements

### Capital work-in-progress aging schedule

(₹ in Lakhs)

Particulars	As at 31st March, 2022					As at 31st March, 2021				
	< 1 year	1-2 years	2-3 years	> 3 years	Total	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress										
Sanand Project	626.25	221.16	-	-	<b>847.41</b>	320.86	141.53	-	-	<b>462.39</b>
Sikandrabad project	1,532.52	516.71	-	-	<b>2,049.23</b>	2,031.62	494.15	-	-	<b>2,525.77</b>
<b>Total</b>	<b>2,158.77</b>	<b>737.87</b>	-	-	<b>2,896.64</b>	<b>2,352.48</b>	<b>635.68</b>	-	-	<b>2,988.16</b>

#### 4. INTANGIBLE ASSETS

(₹ in Lakhs)

Intangibles Assets	Computer Software	Intangibles Total
<b>Gross Carrying amount as at 31.03.2020</b>	<b>21.84</b>	<b>21.84</b>
Additions	-	-
Disposals	-	-
<b>Gross Carrying amount as at 31.03.2021</b>	<b>21.84</b>	<b>21.84</b>
Additions	2.50	2.50
Disposals	-	-
<b>Gross Carrying amount as at 31.03.2022</b>	<b>24.34</b>	<b>24.34</b>
<b>Accumulated Amortisation and impairment</b>		
<b>Balance as at 31.03.2020</b>	<b>17.09</b>	<b>17.09</b>
Amortisation for the year	3.50	3.50
Amortisation on Disposals	-	-
<b>Balance as at 31.03.2021</b>	<b>20.59</b>	<b>20.59</b>
Amortisation for the year	1.75	1.75
Amortisation on Disposals	-	-
<b>Balance as at 31.03.2022</b>	<b>22.34</b>	<b>22.34</b>
<b>Net Carrying Value</b>		
<b>As at 31.03.2022</b>	<b>2.00</b>	<b>2.00</b>
<b>As at 31.03.2021</b>	<b>1.25</b>	<b>1.25</b>
<b>As at 31.03.2020</b>	<b>4.75</b>	<b>4.75</b>
Useful life of Assets (Years)	3-5	3-5
Method of Depreciation	SLM	SLM

#### 5. INVESTMENTS (NON -CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>A. Investment in equity instruments</b>		
<b>Unquoted</b>		
Investment In SVC Co Op Bank Ltd	0.03	0.03
<b>Total</b>	<b>0.03</b>	<b>0.03</b>
<b>Unquoted</b>		
Aggregate carrying value	0.03	0.03
<b>Investment at Cost</b>	<b>0.03</b>	<b>0.03</b>

## Notes to the Consolidated Financial Statements

### 6. LOANS -NON CURENT

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Unsecured &amp; Considered Good</b>		
Security deposit	437.77	417.53
<b>Total</b>	<b>437.77</b>	<b>417.53</b>

### 7. OTHER ASSETS - NON CURRENT

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Unsecured &amp; Considered Good</b>		
Capital Advances	663.01	523.92
<b>Total</b>	<b>663.01</b>	<b>523.92</b>

### 8. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Inventories</b> (at lower of cost and net realisable value)		
Raw materials	11,663.13	8,665.89
Semi-finished / finished goods	13,077.78	9,239.77
Production consumables and stores and spares	1,199.79	941.41
<b>Total</b>	<b>25,940.70</b>	<b>18,847.07</b>
<b>Notes:</b>		
Inventories have been pledged as security against certain bank borrowings of the company (Refer note 19)		

### 9. TRADE RECEIVABLES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good	16,741.14	12,060.58
Less: Allowance for doubtful debts	-	-
<b>Total</b>	<b>16,741.14</b>	<b>12,060.58</b>

#### a) Ageing of trade receivables

##### i) Undisputed trade receivables

(₹ in lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
<b>Outstanding for following periods from due date of receipts</b>				
Less than 6 months	632.46	-	299.97	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Within credit period	16,108.68	-	11,760.61	-
<b>Total</b>	<b>16,741.14</b>	<b>-</b>	<b>12,060.58</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

### ii) disputed trade receivables

(₹ in lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
<b>Outstanding for following periods from due date of receipts</b>				
Less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Within credit period	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Notes

- The credit period on sale of goods ranges from 30 to 60 days without securities. No interest is charged on trade receivables.
- Before accepting any new customer, the company evaluates the financial position, past performance, business opportunities, credit references etc. of the new customers and define credit limit and credit period. The credit limit and the credit period are reviewed at periodical intervals.
- The company does not generally hold any collateral or other credit enhancements over the balances.
- Trade receivables have been given as collateral toward borrowings (refer security note below Note 19)

### 10. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Balance with banks:</b>		
In current accounts	13.21	15.77
Cash on hand	77.12	47.64
<b>Total</b>	<b>90.33</b>	<b>63.40</b>

### 11. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Earmarked balances		
In current accounts	0.46	0.46
In margin money	1,616.62	1,628.79
<b>Total</b>	<b>1,617.08</b>	<b>1,629.25</b>

#### Notes

- 11.1** Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees & LC issued by Banks

## Notes to the Consolidated Financial Statements

### 12. OTHER CURRENT ASSETS (UNSECURED)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advances to suppliers & others	2,652.16	2,740.00
Balance with Statutory/ Government authorities	1,912.83	358.55
Prepayment & others	82.90	49.68
<b>Total</b>	<b>4,647.88</b>	<b>3,148.23</b>

### 13. EQUITY SHARE CAPITAL

Particulars	As at	As at	As at	As at
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	Number of Share		Amount (₹ in Lakhs)	
<b>Share Capital</b>				
<b>(a) Authorised :</b>				
Equity shares of the par value of ₹10/- each	140.00	140.00	1,400.00	1,400.00
<b>(b) Issued and subscribed: (A)</b>				
Outstanding at the beginning of the year	112.06	109.26	1,120.61	1,092.61
<b>(c) Fresh Issue during the year through preferential allotment (B)</b>	-	-	-	-
<b>(d) Conversion of Share Warrants into Equity share. (C)</b>	10.65	2.80	106.50	28.00
<b>Total (A+B+C)</b>	<b>122.71</b>	<b>112.06</b>	<b>1,227.11</b>	<b>1,120.61</b>

#### a) The Movement of Share Capital in Subscribed and Paid up Share Capital is set out as below

Particulars	As at	As at	As at	As at
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	Number of Share		Amount (₹ in Lakhs)	
Equity shares of ₹10/- each fully paid up as on 1 April	112.06	109.26	1,120.61	1,092.61
Add: Share Warrant converted into Equity Shares	10.65	2.80	106.50	28.00
<b>Equity shares - closing as on 31 March</b>	<b>122.71</b>	<b>112.06</b>	<b>1,227.11</b>	<b>1,120.61</b>

#### b) Conversion of Equity Share Warrant into Equity Share of face value ₹ 10 each at ₹164/- Per Share

Date of Allotment	Number of Share	Share Capital	Security Premium	Total
March 12, 2021	1,50,000	15,00,000	2,31,00,000	2,46,00,000
March 31, 2021	1,30,000	13,00,000	2,00,20,000	2,13,20,000
F. Y 21-22 *	10,65,000	1,06,50,000	16,40,10,000	17,46,60,000
	<b>13,45,000</b>	<b>1,34,50,000</b>	<b>20,71,30,000</b>	<b>22,05,80,000</b>

\* Note: As on 31st March 2022, only 25000 warrants are Pending for Conversion in to Equity Shares.

#### c) \*\*Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares and carry a right of dividend. Each shareholder is eligible for one vote per share held & in the event of liquidation, the equity shareholders are eligible to receive

## Notes to the Consolidated Financial Statements

the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### d) Shareholders holding more than 5% share in the company are set out below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of Share	% of Share	Number of Share	% of Share
Ajay Kumar Bansal	17,34,177	14.13%	16,80,677	15.00%
Parveen Bansal	10,10,206	8.23%	10,40,206	9.28%
Anish Bansal	12,16,600	9.91%	10,66,600	9.52%
Vipul Bansal	9,87,600	8.05%	8,37,600	7.47%
AKS Buildcon Pvt. Ltd.	5,52,000	4.50%	5,52,000	4.93%
Ajay Kumar & Sons (HUF)	5,20,800	4.24%	5,20,800	4.65%
Hi- Tech Agrovision Pvt. Ltd.	5,16,000	4.21%	5,16,000	4.60%
Shweta Bansal	5,51,200	4.49%	5,51,200	4.92%

### e) Shares held by promoters and promoter group at the end of the year:

S. No.	Name of the promoter Promoters	As at 31st March, 2022		As at 31st March, 2021		% change during the year
		No of shares	% of total shares	No of shares	% of total shares	
1	Ajay Kumar Bansal	17,34,177	14.13%	16,80,677	15.00%	-0.87%
2	Anish Bansal	12,16,600	9.91%	10,66,600	9.52%	0.39%
	<b>Total</b>	<b>29,50,777</b>	<b>24.04%</b>	<b>27,47,277</b>	<b>24.52%</b>	<b>-0.48%</b>
	<b>Promoter's Group</b>					
3	Parveen Bansal	10,10,206	8.23%	10,40,206	9.28%	-1.05%
4	Vipul Bansal	9,87,600	8.05%	8,37,600	7.47%	0.58%
5	AKS Buildcon Pvt. Ltd.	5,52,000	4.50%	5,52,000	4.93%	-0.43%
6	Ajay Kumar & Sons (HUF)	5,20,800	4.24%	5,20,800	4.65%	-0.41%
7	Hi- Tech Agrovision Pvt. Ltd.	5,16,000	4.21%	5,16,000	4.60%	-0.39%
8	Shweta Bansal	5,51,200	4.49%	5,51,200	4.92%	-0.43%
9	Richi Bansal	-	-	1,08,000	0.96%	-0.96%
10	Krati Bansal	-	-	72,000	0.64%	-0.64%
11	Kumud Bansal	-	-	48,000	0.43%	-0.43%
12	Naresh Kumar Bansal	1,88,800	1.54%	8,800	0.08%	1.46%
	<b>Total</b>	<b>43,26,606</b>	<b>35.26%</b>	<b>42,54,606</b>	<b>37.96%</b>	<b>-2.70%</b>
	Grand Total	<b>72,77,383</b>	<b>59.30%</b>	<b>70,01,883</b>	<b>62.48%</b>	<b>-3.18%</b>

### f) For the period of five years immediately preceding the date of Balance Sheet,

Aggregate number & class of shares allotted by the company as fully paid up pursuant to contracts without receipt of cash: NIL

Aggregate number & class of shares bought back by the company: NIL

### Aggregate number & class of shares allotted by the company as fully paid up by way of bonus shares

Particulars	2015-16
Fully paid up Equity shares by way of Bonus Shares (Face Value of ₹10/- each)	37,85,550

## Notes to the Consolidated Financial Statements

### g) Dividends

The Board of Directors, in its meeting on May 14, 2022 has recommended a final dividend of ₹ 0.50 per equity share for the financial year ended March 31, 2022. This proposal is subject to the approval of Shareholders at the ensuing Annual General Meeting

### 14. OTHER EQUITY

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
General reserve	3,145.60	3,145.60
Share Warrants	10.25	446.90
Retained earnings	14,905.87	10,873.25
<b>Other reserves:</b>		
Capital Reserve	375.00	375.00
Securities premium account	6,198.07	4,557.97
<b>Total</b>	<b>24,634.79</b>	<b>19,398.72</b>

#### (i) Securities premium account

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

#### (ii) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

### 15. BORROWINGS (NON CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Term Loans:</b>		
From Bank	11,578.91	9,153.77
<b>Vehicle Loans</b>	79.00	113.58
<b>(A)</b>	<b>11,657.91</b>	<b>9,267.35</b>
<b>Unsecured</b>		
From Directors	2,910.40	2,234.20
From Othes	73.80	73.80
<b>Intercorporate Borrowings:</b>		
Loan from Related Parties	73.37	72.24
<b>(B)</b>	<b>3,057.57</b>	<b>2,380.24</b>
<b>Unamortised upfront fee on Secured Borrowing</b>	<b>(C)</b>	
	(28.15)	(30.33)
<b>Total (A) + (B) + ('C')</b>	<b>14,687.33</b>	<b>11,617.26</b>

## Notes to the Consolidated Financial Statements

Particulars	As at 31.03.2022		As at 31.03.2021	
	non current	current	non current	current
<b>Term Loans:</b>				
From Bank	11,578.91	2,826.62	9,153.77	2,074.75
<b>Vehicle Loans</b>	79.00	50.72	113.58	114.44
<b>Total</b>	<b>11,657.91</b>	<b>2,877.34</b>	<b>9,267.35</b>	<b>2,189.19</b>

- A.** Term Loan aggregating to ₹ 11,578.91 Lakhs (Non current), ₹ 2,826.62 Lakhs (current) (PY ₹ 9,153.77 Lakhs Non Current & ₹ 2,074.75 Lakhs Current) are secured. Some of these loans are secured by Equatable Mortgage Hypothecation of plant & machinery of its manufacturing units situated at plot No. 10 & 16 at Sikandrabad, Sanad, Gujrat and Hindupur, Andhra Pradesh and personnel guarantee of Promoter Director. Some of these loans are secured by Equitable mortgage on company's commercial property. These term loans are repayable in monthly or quarterly installments along with interest.
- B.** Term Loan aggregating to ₹ 79.00 Lakhs (Non Current) ₹ 50.72 Lakhs (Current) (P.Y ₹ 113.58 Lakhs Non Current & ₹ 114.44 Lakhs Current) are secured by specific charge on the vehicle hypothecated against these loans. These term loans are repayable in monthly installments along with interest.

### 16. OTHER FINANCIAL LIABILITIES NON-CURRENT

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Security Deposits from Agents/Dealers</b>		
Other Deposits	80.25	33.99
Creditors for capital Goods	24.39	45.80
<b>Total</b>	<b>104.64</b>	<b>79.80</b>

### 17. PROVISIONS (NON-CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Provision for Leave encashment	1.23	4.64
Provision for Gratuity	94.69	85.08
<b>Total</b>	<b>95.92</b>	<b>89.72</b>

### 18. INCOME TAXES

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").



## Notes to the Consolidated Financial Statements

### (a) Income tax expense / (benefits)

Particulars	(₹ in Lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>Current tax :</b>		
Current tax (MAT)	1,122.96	479.91
Tax refund / reversal pertaining to earlier years	-	-
	<b>1,122.96</b>	<b>479.91</b>
<b>Deferred tax :</b>		
Deferred tax	230.77	269.59
MAT credit entitlement	87.47	69.31
(Restoration)/reversal of MAT credit entitlement	-	-
Tax provision/(reversal) for earlier years	58.44	-
<b>Total deferred tax</b>	<b>376.68</b>	<b>338.90</b>
<b>Total Tax expense / (benefit)</b>	<b>1,499.64</b>	<b>818.82</b>

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	(₹ in Lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit/loss before tax	5,532.26	3,099.10
Enacted tax rate in India ( Weighted Average)	26.17%	21.95%
<b>Expected income tax expense / (benefit) at statutory tax rate</b>	<b>1,447.99</b>	<b>680.26</b>
Depreciation under Income Tax Act	(433.85)	(335.38)
Mat credit entitlement/ utilisation	(87.47)	(45.00)
Expenses not deductible in determining taxable profits	196.29	180.47
Deductions allowed under tax Laws		
Others		
Tax expense for the Current year	<b>1,122.96</b>	<b>479.91</b>
MAT on PBT	186.51	128.00
Tax expense pertaining to current year	1122.96	479.91
<b>Effective income tax rate</b>	<b>20.30%</b>	<b>15.49%</b>

Deferred tax assets / (liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Deferred tax liabilities (net)	1,975.24	1,744.47
Less: MAT Credit Entitlement	(139.80)	(225.07)
<b>Total</b>	<b>1,835.44</b>	<b>1,519.40</b>

## Notes to the Consolidated Financial Statements

Deferred tax balance in relation to	As at 31.03.2021	Recognised / reversed through P/L	For the year ended 31.03.2022
Property, plant and equipment	(1,729.81)	(210.00)	(1,939.81)
Provisions for employee benefit / loans, advances and guarantees	(14.66)	(20.77)	(35.43)
<b>Total</b>	<b>(1,744.47)</b>	<b>(230.77)</b>	<b>(1,975.24)</b>

Deferred tax balance in relation to	As at 31.03.2020	Recognised / reversed through P/L	For the year ended 31.3.2021
Property, plant and equipment	(1,484.48)	(245.33)	(1,729.81)
Provisions for employee benefit / loans, advances and guarantees	9.60	(24.26)	(14.66)
<b>Total</b>	<b>(1,474.88)</b>	<b>(269.59)</b>	<b>(1,744.47)</b>

### Movement in MAT credit entitlement:

Particulars	₹ in Lakhs	
	For the year ended 31.03.2022	For the year ended 31.03.2021
Balance at the beginning of year	225.07	285.91
Add: MAT credit entitlement	(85.27)	(60.84)
<b>Balance at the end of year</b>	<b>139.80</b>	<b>225.07</b>

The Company expects to utilize the MAT credit within a period of 15 years

### 19. BORROWINGS (CURRENT)

Particulars	As at 31.03.2022	As at 31.03.2021
Working capital loans from banks (secured)		
From Banks	21,762.13	17,892.54
<b>Total</b>	<b>21,762.13</b>	<b>17,892.54</b>

#### Working capital loan are secured by :-

Working capital facilities availed are secured by first pari passu charge on entire current assets of the company and second pari passu on moveable fixed assets of the company. These credit facilities are further secured by personal guarantee of promoter-directors of the company.

## Notes to the Consolidated Financial Statements

### 20. TRADE PAYABLES

Particulars	(₹ in lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Trade payables :</b>		
a) Outstanding dues of micro and small enterprises	-	-
b) Outstanding dues of creditors other than micro and small enterprises	7,256.58	4,650.42
<b>Total</b>	<b>7,256.58</b>	<b>4,650.42</b>
Other than Raw Material	709.48	272.54
<b>Total</b>	<b>7,966.06</b>	<b>4,922.97</b>

Credit Terms of these Trade Payable varies from 0-90 days.

#### a) Ageing of trade payables

##### i) Undisputed trade payables

Particulars	(₹ in lakhs)			
	As at 31st March, 2022		As at 31st March, 2021	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	1,341.50	-	930.06
1-2 years	-	12.63	-	50.62
2-3 years	-	1.60	-	2.51
> 3 years	-	0.20	-	0.20
Not Due	-	5,900.66	-	3,667.03
Unbilled	-	-	-	-
<b>Total</b>	<b>-</b>	<b>7,256.58</b>	<b>-</b>	<b>4,650.42</b>

##### ii) Disputed trade payables

Particulars	(₹ in lakhs)			
	As at 31st March, 2022		As at 31st March, 2021	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Unbilled	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

### 21. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current maturities of long-term borrowing	2,877.34	2,189.19
Interest accrued but not due on borrowings	111.83	80.05
<b>Total</b>	<b>2,989.17</b>	<b>2,269.24</b>

### 22. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advances from customers	76.26	48.23
Statutory liabilities	78.59	31.33
Unclaimed dividends	0.46	0.46
Creditors for fixed assets	135.38	165.21
Other Outstanding Liabilities	22.01	72.62
<b>Total</b>	<b>312.71</b>	<b>317.85</b>

### 23. PROVISIONS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Leave encashment	0.32	0.15
Provision for employee benefits	24.06	19.36
Bonus payable	26.28	34.40
Other Provisions	343.34	354.44
Provision for Gratuity	14.96	9.93
<b>Total</b>	<b>408.95</b>	<b>418.28</b>

### 24. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Sale of products:</b>		
Domestic turnover	1,83,487.22	1,33,424.43
Export turnover	4,066.13	239.83
<b>A</b>	<b>1,87,553.35</b>	<b>1,33,664.26</b>
<b>Other operating revenues</b>		
Rent	129.50	109.38
Job work	179.03	218.57
Subsidy from Government	22.85	71.13
<b>B</b>	<b>331.38</b>	<b>399.08</b>
<b>Total</b>	<b>(A+B) 1,87,884.73</b>	<b>1,34,063.35</b>

## Notes to the Consolidated Financial Statements

### 25. OTHER INCOME

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest Income earned on financial assets		
Bank deposits	81.52	78.19
Other Income	12.16	1.52
<b>Total</b>	<b>93.67</b>	<b>79.71</b>

### 26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Opening Stock :</b>		
Semi finished /finished goods	6,870.62	6,438.00
Rejection & Scraps	742.41	585.00
Work-in-progress	1,607.80	1,604.00
<b>A</b>	<b>9,220.83</b>	<b>8,627.00</b>
<b>Closing stock :</b>		
Semi finished /finished goods	10,978.49	6,870.62
Rejection & Scraps	691.09	742.41
Work-in-progress	1,408.20	1,607.80
<b>B</b>	<b>13,077.78</b>	<b>9,220.83</b>
<b>C (A-B)</b>	<b>(3,856.95)</b>	<b>(593.83)</b>

### 26.1 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Indigenous Raw Material & Stores	1,73,534.03	1,20,048.59
<b>Total</b>	<b>1,73,534.03</b>	<b>1,20,048.59</b>

### 27. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Salaries and wages	2,061.53	1,734.27
Contribution to provident and other funds	32.41	29.65
Provisions for Employees Benefits	43.08	47.20
Staff welfare expenses	61.55	66.67
<b>Total</b>	<b>2,198.57</b>	<b>1,877.78</b>

### 28. FINANCE COSTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest expenses on borrowings	3,281.77	2,825.07
Other borrowing costs	365.23	403.61
<b>Total</b>	<b>3,647.00</b>	<b>3,228.68</b>

## Notes to the Consolidated Financial Statements

### 29. DEPRECIATION AND AMORTIZATION

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Tangible assets	964.49	828.77
Intangible assets	1.75	3.50
<b>Total</b>	<b>966.24</b>	<b>832.27</b>

### 30. OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Power and fuel	2,476.62	1,667.57
Rent	64.16	27.00
<b>Repairs and maintenance</b>		
Plant and equipment	82.13	67.77
Buildings	134.14	39.86
Others	78.13	25.86
Sales Promotion	388.20	94.35
Fee & Subscription	60.54	21.74
Insurance	86.19	82.71
Carriage and freight	1,274.06	1,125.46
Commission on sales	77.60	104.68
Travelling and Conveyance	175.64	123.38
Legal or Professional Consultation Charges	116.89	109.87
Vehicle Running and Maintenance	194.29	124.07
CSR Exp.	63.23	63.76
Security Services	77.83	59.59
Miscellaneous expenses	357.10	347.76
<b>Total</b>	<b>5,706.75</b>	<b>4,085.46</b>

Note :

Auditors remuneration (excluding service tax | GST) included in other expenses :

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
As Audit fees(including limited review)	22.00	20.00
For Tax audit fees	2.00	2.00
<b>Total</b>	<b>24.00</b>	<b>22.00</b>

### 31. EARNINGS PER SHARE (EPS)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Profit/(Loss) attributable to Equity shareholders (A)	4,032.62	2,280.29
<b>Weighted average number of Equity shares for basic EPS (B)</b>	<b>119.43</b>	<b>109.35</b>
Effect of Dilution :		
Equity share outstanding as on March 31, 2022	119.43	109.35
Weighted average number of Treasury shares held through Convertible Warrant	0.25	10.90
<b>Weighted average number of Equity shares adjusted for the effect of dilution ( C )</b>	<b>119.68</b>	<b>120.25</b>
Basic EPS (Amount in ₹) (A/B)	33.77	20.85
Diluted EPS (Amount in ₹) (A/C)	33.70	18.96
Face value per Share	₹10/-	₹10/-

## Notes to the Consolidated Financial Statements

### 32. FINANCIAL RATIOS

S. No.	Particulars	Numerator	Denominator	Ratios For the year ended		Variance (%)	Change in ratio in excess of 25% compared to preceding year
				31st March, 2022	31st March, 2021		
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.43	1.37	4.25%	-
2	Debt-Equity Ratio (in times)	Total Borrowings	Total Equity	1.42	1.45	-1.99%	-
3	Debt Service Coverage Ratio (in times)	Profit before tax + Depreciation and amortisation expenses + interest on term loans	Interest on term loans + Scheduled principal repayments of term loans	1.56	1.32	17.67%	-
4	Return on Equity Ratio (%)	Net profit after tax	Average Networth	17.40%	12.00%	45.00%	Increase was primarily on account of increase in profit after tax
5	Inventory Turnover (no. of days)	Inventory	Revenue from operations per day	50	51	-1.96%	-
6	Debtors Turnover (no. of days)	Trade Receivables * No of days in the reporting year	Revenue from operations	33	33	0.00%	-
7	Payables Turnover (no. of days)	Trade payables * No of days in the reporting year	Revenue from operations	15	13	15.38%	-
8	Net Capital Turnover (in times)	Revenue from operations	Working capital	15.44	16.38	-5.73%	-
9	Net Profit Margin (%)	Net profit for the year	Total Income	2.15%	1.70%	26.20%	Higher profit margin attributable to increase in profit after tax and increase in total income
10	Return on Capital Employed (%)	Profit before tax + Interest on long term loans	Net worth + Total borrowings + Deferred Tax	16.30%	13.00%	25.38%	Increase was primarily on account of increase in profit before tax
11	Return on Investment (%)	Profit generated on sale of investment	Cost of investment	-	-	-	-

## Notes to the Consolidated Financial Statements

### 33. SEGMENT REPORTING

In accordance with the provisions of Ind AS 108 -Operating Segment, the operations of the company falls under manufacturing of Steel Tubes & Pipes and which is also considered to be the reportable segment by management.

### 34. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Amount required to be spent by the company during the year	63.23	63.76
2	Amount of expenditure incurred		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above	63.30	63.76
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	Ensuring environmental sustainability, ecological balance	
7	Amount unspent, if any;	-	-
8	Details of related party transactions	-	-
9	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

### 35. FINANCIAL INSTRUMENTS

#### a) Capital Risk Management

The company's capital requirements are mainly to fund its expansion, working capital and strategic acquisition. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by short term borrowings from bank and the funds from capital market. The company is not subject to any externally imposed capital requirements.

The company regularly consider other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and closely monitors its judicious allocation amongst competing expansion projects and strategic acquisition, to capture market opportunities at minimum risk.

The company monitors its capital gearing ratio, which net debt divided to total equity. Net debt includes, interest bearing loans and borrowing less cash and cash equivalents, bank balances other cash and cash equivalents.



## Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Long term borrowings	14,687	11,617
Current maturities of long term debts	2,877	2,189
short term bottowings	21,762	17,893
Less: Cash and Cash equivalents	90.33	63.40
Less: Bank balances other than cash and cash equivalents	1,617	1,629
Net Debt	37,619	30,006
Total Equity	25,862	20,519
Gearing Ratio	1.45	1.46

- i) Equity includes all capital and reserves of the Company that are managed as capital.
- ii) Debt is defined as long and short term borrowings (excluding financial guarantee contracts), as described in Note 15 and 19.

### c) Financial risk management

The Company has an Audit & Risk Management Committee established by its Board of Directors for the Risk Management Framework and developing and monitoring the Company's risk management policy. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

### D) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity prices and interest rates.

### E) Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its products. Market forces generally determine prices for the steel products sold by the company. These prices may be influenced by factors such as supply and demand, production costs (including the cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

The Company purchases the steel and other building products in the open market from third parties in prevailing market price. The Company is therefore subject to fluctuations in the prices of HR Coils, Zinc etc.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures the

## Notes to the Consolidated Financial Statements

products based on prevailing market rates as the selling prices of steel products and the prices of inputs moves in the same direction.

### F) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees. The risk is managed by the Company by keeping a close watch on the market variables and time to time negotiations with the Bankers for reduction of rate of interest.

### G) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arises principally from the trade receivables and advances

#### Trade receivables:

Customer credit risk is managed centrally by the company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/ economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored.

### E) Liquidity risk management

Liquidity risk refers to the risk of financial distress extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for: term operational needs as well as for capex purposes. The Company generates sufficient cashflow for operations, which together with the available cash and cash equivalents and short term borrowings provide liquidity. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continue monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. A table showing maturity profile of the Financial Assets & Liabilities has been placed on the website of the company.

### F) Fair Valuation of Financial Instrument

Carrying value and Fair Value of Financial Instrument as on 31-03-2018, 31-03-2017 and 01-04-2016 is the same & there is no difference therein.

## 36. OPERATING LEASE

### a) As Lessor:

The company has entered into leasing arrangements for renting of a building admesuring approximately 1262 Square meter at the rate of ₹ 870/- per SM monthly For the period of 12 months, which is renewable.

Disclosure in respect of assets (building) given on operating lease:

## Notes to the Consolidated Financial Statements

Particulars	As at 31-03-2022	As at 31-03-2021
Gross carrying amount of assets	3,71,80,995	3,71,80,995
Accumulated Depreciation	79,89,807	75,36,398
Depreciation for the year	4,53,409	4,53,409

### b) As Lessee:

Various building have been taken on operation lease with lease term for 11 months for office premises, storage space & employee residence which are renewable on a periodic basis by mutual consent of both parties. All the operating lease are cancelable by either parties for any reason by giving a prior notice. There is no restriction imposed by lease agreements, such as those concerning dividends, additional debts.

**Lease payments recognised under rent expenses is as follows:**

Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021
Minimum lease payment made on operating lease	64.16	27.00

(₹ in Lakhs)

## 37. RELATED PARTY DISCLOSURES

### A Name of Related Parties and nature of relationship:

1	<b>Associate enterprise over which key management personnels and their relative exercise significant influence</b>	1	Hitech Agro Vision Pvt Ltd
		2	AKS Buildcon Pvt Ltd
		3	Hi-tech Saw Pvt Ltd
2	<b>Subsidiaries</b>	1.	HTL Metal Pvt. Ltd. (Wholly Owned Subsidiary)
		2.	HITECH Metalex Pvt. Ltd. (Wholly Owned Subsidiary)
		3.	HTL ISPAT Pvt. Ltd. (Wholly Owned Subsidiary)
3	<b>Key Management Personnel (KMP)</b>	1.	Sh. Ajay Kumar Bansal as Managing Director
		2.	Sh. Anish Bansal as Whole time Director
		3.	Sh. Arvind Bansal, Chief Financial Officer
		4.	Sh. Arun Kumar, CS & Compliance Officer
4	<b>Relatives of Key Management Personnel</b>	1.	Vipul Bansal is as Relatives of Managing Director
		2.	Rakesh Bansal is as Relatives of Managing Director

## Notes to the Consolidated Financial Statements

### B. Transactions with related parties & Outstanding balance

(₹ in Lakhs)

Particulars	Value of Transaction	
	FY 2021-22	FY 2020-21
1 Remuneration paid to Key Management Personnel	180.00	180.00
2 Sale of Goods To Subsidiaries	1,724.82	-
3 Purchase of Goods from Subsidiaries	80.94	-
4 Rent Paid to Key Management Personnel	3.60	3.60
5 Outstanding balance of Key Management Personnel Cr Bal	2,910.40	2,234.20
6 Salary paid to Relatives of Key Management Personnel	-	55.00
7 Outstanding balance of Relatives of Key Management Personnel Cr Bal	57.82	57.82

In respect of above parties there is no provision for doubtful debt as on March 31st, 2021 and no amount is written off or written back during the year in respect of debt/loans and advances due from/to them.

Credit facilities of the company is further is collaterally secured by the personal guarantee of the Promoter Directors as declared in note 15 & 19.

### 38. CONTINGENT LIABILITIES:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Disputed UP Valud Added Tax Demand <sup>^</sup>	43.27	43.27
Performance Bank Guarantee *	347.32	88.12
<b>Total</b>	<b>390.59</b>	<b>131.39</b>

<sup>^</sup> Refer item (vii) of the Independent Audit Report

\* Govt. Tenders.

### 39. COMMITMENTS

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated value of capital commitments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

### 40. ADDITIONAL INFORMATION

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a CIF Value of Imports	2.51	57.26
b Foreign Currency Earnings	4,030.52	-
c Foreign Currency Expenditure	13.39	6.24

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**

Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**

Managing Director  
DIN : 01070123

**Anish Bansal**

Director  
DIN : 00670250

**A.N. GARG**

(FCA, Partner)  
M.No. 083687

Place: New Delhi  
Date: May 14th , 2022

**Arvind Bansal**

Chief Financial Officer

**Arun Kumar**

Company Secretary

# STANDALONE FINANCIAL STATEMENTS



## Independent Auditor's Report

### TO THE MEMBERS OF HI-TECH PIPES LIMITED

#### Report on Audit of the Standalone Financial Statements

##### OPINION

We have audited the accompanying Standalone financial statements of HI-TECH PIPES LIMITED ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2022, and the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### BASIS FOR OPINION

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities

in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion on the standalone financial statements.

##### KEY AUDIT MATTERS

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

##### 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 that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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 decisions of users taken on the basis of these standalone financial

statements.

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

- ✦ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ✦ Obtain an understanding of internal financial control 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 with reference to financial statements in place and the operating effectiveness of such controls.
- ✦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ✦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements; we remain solely responsible for our audit opinion.

We believe that audit evidence obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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 consolidated financial statements

We communicate with those charged with governance of the Company 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, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company; so far it appears from our examination of these books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the

explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company 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 have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or

indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
  - v. The board of directors of the company has proposed final dividend for the year, subject to approval of shareholders in annual general meeting. The amount declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
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, to the extent applicable

For A. N. GARG & COMPANY  
Chartered Accountants  
FRN- 004616N

**A. N. GARG**  
(FCA, Partner)  
M.No:-083687

Place: New Delhi  
Date: 14TH May, 2022  
UDIN: 22083687AIZNPN1594

## Annexure - A

### To The Independent Auditor's Report

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

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

#### TO THE MEMBERS OF HI-TECH PIPES LIMITED

We have audited the internal financial controls over financial reporting of HI-TECH PIPES LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone/ standalone Ind AS (retain as applicable) financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its joint operations companies incorporated in India (retain as applicable) 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 the Institute of Chartered Accountants of India 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 judgment, 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For A. N. GARG & COMPANY  
Chartered Accountants  
(FRN- 004616N)

**A. N. GARG**  
(FCA, Partner)  
(M.No.-083687)

Place: New Delhi  
Date: 14<sup>th</sup> May, 2022  
(UDIN: 22083687AIZNPN1594)

**Annexure "B"****To The Independent Auditor's Report**

**The Annexure referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our Report to the Members of Hi-Tech Pipes 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:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:-

(a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress and right-of-use assets.

(B) The Company has maintained Proper records showing full particulars of intangible asset.

(b) Certain Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management in accordance with a program of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment and capital work-in-progress at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and the records examined by us we report that the title deeds of all the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of company) disclosed in financial statements included in Plant Property and Equipment and Capital Work in Progress are held in the name of the company as at Balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including

right-of-use assets) and intangible assets during the year.

(e) To best of our knowledge and according to information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management, in our opinion, the coverage and procedure of such verification by the management is appropriate; no discrepancies were noticed by us which is 10% or more in the aggregate for each class of inventory, however some immaterial discrepancies were observed by us which were properly dealt with in the books of accounts.

(b) Company has been sanctioned working capital limits which is in excess of five Crore rupees in aggregate, at point of time during the year from banks on the basis of security of current assets, in our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the company with such banks are in agreement with the unaudited books of accounts of the company of the respective quarters. The company has not been sanctioned any working capital facility from financial institutions.

(iii) (a) The Company has provided/granted secured or unsecured Loans during the year and the outstanding balance of loan as at March 31, 2022 are given below:-

Particulars	Loan (₹ In Lakhs)
A. Aggregate amount granted / provided during the year	
Subsidiaries (wholly owned)	5.95
Related Parties	-
B. Balance outstanding as at balance sheet date in respect of above cases	
Subsidiaries (wholly owned)	985.39
Related Parties	-

The company has not provided any guarantee or security to any other entity during the year.

- (b)** In our opinion, the terms and conditions of the loans granted by the company to Hitech Metalex Pvt Ltd (a wholly owned subsidiary) of ₹ 5.95 Lakhs during the year with maximum amount of ₹ 5.95 Lakhs, outstanding as on March 31, 2022, and to HTL Metal Pvt Ltd and to HTL Ispat Pvt Ltd with maximum amount of ₹ 193.82 and 785.62 Lakhs, respectively outstanding as on March 31, 2022, in our opinion, not prejudicial to the Company's interest.
- (c)** The company has granted loans to Hitech Metalex Pvt Ltd, (wholly owned subsidiary), that are interest free and which is payable on demand. During the year company has not demanded such loan. Having regards to the fact that the repayment of principal has not been demanded by the company, in our opinion the repayments of the principal amounts are regular.
- (d)** According to information and explanations given to us and based on audit procedures performed In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e)** No loan granted by the Company which has fallen due during the year as above loans are payable on demand and during the year company has not demanded such loan.
- (f)** The Company has granted interest free unsecured loans of ₹ 5.95 Lakhs to Hitech Metalex Pvt Ltd, (a wholly owned Subsidiary), which is repayable on

demand, however during the year company has not demanded such loan.

- (iv) Based on information and explanations given to us in respect of loans, investments, guarantees, and security, have been complied with (wherever applicable on the company) necessary provision of section 185 & 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amount which is deemed to be deposit. Hence reporting under clause (v) of the order is not applicable.
- (vi) The company has maintained cost records pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended, prescribed by the Central Government under sub - section (1) of Section 148 of the Companies Act, 2013; however we neither required carrying out, nor have carried out any detailed examination of such accounts and records.
- (vii) (a) As explained to us and as per the books and records examined by us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authority on regular basis.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, GST, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us by the management and relied upon by us, there are no dues of Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty & Cess, which have not been deposited on account of any dispute except the following Statutory dues, which have not been deposited on account of dispute and same is pending before appropriate authority as follows:-

Sl.No.	Name of the Statute	Nature of Dues	Amount Disputed (Rs. In Lakhs)	Period to which dues related	Authority where the dispute is Pending for Decision
1.	U.P. Tax on Entry of Goods in to Local areas ordinance, 2007	The Constitutional validity of U.P. Tax on Entry of Goods in to Local areas ordinance, 2007 had been challenged.	281.91	November, 2008 to March 2011	Before the High court Allahabad
2.	UP-VAT	Sales Tax	20.53	2012-13	Before the Additional Commissioner (Appeal) of Commercial Tax Authority, Ghaziabad, Uttar Pradesh
3.	UP-VAT	Sales Tax	22.74	2013-14	

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) Company has taken various loans from Banks but there is no default in repayment of loans has been made by the company.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term Loans Taken by the company has been applied for the purpose for which they were obtained, no material discrepancies noticed.
- d) On overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not utilized during the year for long term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries; hence reporting on clause 3(ix) (f) of the order is not applicable.
- (x) (a) The company has not issued any of its securities(including debt instruments) during the year and hence reporting under clause (x)(a) of the order is not applicable.
- (b) The Company has converted warrants into equity shares during the year; however company has not made any fresh preferential allotment or private placement of shares during the year, hence reporting under clause (x)(b) of order is not applicable to the company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Govt, during the year and upto the date of this report
- (c) As represented to us by management, there were no whistle blower complaints received by company during the year.
- (xii) In our opinion on the basis of information and explanations given by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports

for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures

- (xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There is no Resignation by the statutory auditor of the company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's 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 that company is not capable

of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of subsection (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year

Chartered Accountants  
(FRN- 004616N)

**A. N. GARG**  
(FCA, Partner)  
(M.No.-083687)

Place: New Delhi  
Date: 14<sup>th</sup> May, 2022  
(UDIN: 22083687AIZNPN1594)



## Standalone Balance Sheet

As at 31st March 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>I ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipments	2	18,009.04	14,493.80
(b) Capital Work-in-Progress	3	2,807.74	2,944.11
(c) Intangible assets	4	-	1.25
(d) Financial Assets			
(i) Investments	5	349.20	349.20
(ii) Loans	6	1,353.35	1,353.26
(e) Other non-current assets	7	336.43	233.50
<b>Total Non-Current Asset</b>		<b>22,855.76</b>	<b>19,375.12</b>
<b>Current Assets</b>			
(a) Inventories	8	18,073.26	13,761.75
(b) Financial Assets			
(i) Trade receivables	9	12,496.93	8,480.92
(ii) Cash and cash equivalents	10	64.50	52.43
(iii) Bank balances other than (ii) above	11	1,596.08	1,629.25
(c) Other current assets	12	3,035.36	2,031.03
<b>Total Current Assets</b>		<b>35,266.12</b>	<b>25,955.37</b>
<b>Total Assets</b>		<b>58,121.89</b>	<b>45,330.49</b>
<b>II EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	1,227.11	1,120.61
(b) Other Equity	14	20,438.73	16,248.10
<b>Total Equity</b>		<b>21,665.84</b>	<b>17,368.71</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	8,222.42	6,979.50
(ii) Other financial liabilities	16	80.25	33.99
(b) Provisions	17	89.83	84.89
(c) Deferred tax liabilities (Net)	18	1,495.13	1,322.45
<b>Total Non-Current Liabilities</b>		<b>9,887.63</b>	<b>8,420.83</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	15,787.37	12,786.46
(ii) Trade payables	20		
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues of creditors other than micro and small enterprises		7,764.96	4,791.47
(iii) Other financial liabilities	21	1,999.04	1,497.52
(b) Other current liabilities	22	133.01	50.58
(c) Provisions	23	128.78	273.52
(d) Current Tax Liabilities (Net)	18	755.25	141.39
<b>Total Current Liabilities</b>		<b>26,568.42</b>	<b>19,540.95</b>
<b>Total Liabilities</b>		<b>36,456.05</b>	<b>27,961.78</b>
<b>Total Equity &amp; Liabilities</b>		<b>58,121.89</b>	<b>45,330.49</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**  
Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**  
Managing Director  
DIN : 01070123

**Anish Bansal**  
Director  
DIN : 00670250

**A.N. GARG**  
(FCA, Partner)  
M.No. 083687

**Arvind Bansal**  
Chief Financial Officer

**Arun Kumar**  
Company Secretary

Place: New Delhi  
Date: May 14th, 2022

## Standalone Statement of Profit and Loss

For the year ended 31st Mar, 2022

(₹ in Lakhs), Except per share data and as stated otherwise

Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
<b>I</b> Revenue from operations	24	1,51,188.85	1,02,648.72
<b>II</b> Other income	25	93.67	79.71
<b>III Total income (I + II)</b>		<b>1,51,282.53</b>	<b>1,02,728.43</b>
<b>IV Expenses:</b>			
Cost of materials consumed	26	1,39,753.45	91,891.22
Purchases of stock-in-trade	26	250.51	1,565.00
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(2,592.65)	(304.75)
Employee benefits expense	27	1,627.20	1,334.61
Finance costs	28	2,690.68	2,525.64
Depreciation and Amortization Expenses	29	720.40	655.38
Other expenses	30	4,741.08	3,045.19
<b>Total expenses</b>		<b>1,47,190.67</b>	<b>1,00,712.29</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>4,091.86</b>	<b>2,016.14</b>
<b>VI Exceptional items</b>		-	-
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>4,091.86</b>	<b>2,016.14</b>
<b>VIII Tax expense/(benefit):</b>			
Current tax	18	868.29	309.88
Deferred tax	18	172.68	202.62
Previous Year Adjustments		63.71	-
		<b>1,104.68</b>	<b>512.50</b>
<b>IX Profit/(loss) for the years (VII-VIII)</b>		<b>2,987.18</b>	<b>1,503.63</b>
<b>X Other comprehensive income</b>			
<b>A</b> i) Items that will not be reclassified to profit or loss viz Remasurement of the Defined Benefits Plan to Employees			-
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total (A)</b>		0.00	0.00
<b>B</b> i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		-	-
(b) Changes in Foreign Currency Monetary Item translation difference		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total (B)</b>		-	-
<b>Total Other comprehensive income / (loss) (A+B)</b>		-	-
<b>XI Total comprehensive income / (loss) (IX + X)</b>		<b>2,987.18</b>	<b>1,503.63</b>
<b>XII Earnings per equity share of Re. 10/- each</b>			
Basic		25.01	13.75
Diluted		24.96	12.50

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**

Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**

Managing Director  
DIN : 01070123

**Anish Bansal**

Director  
DIN : 00670250

**A.N. GARG**  
(FCA, Partner)  
M.No. 083687

Place: New Delhi  
Date: May 14th, 2022

**Arvind Bansal**  
Chief Financial Officer

**Arun Kumar**  
Company Secretary

## Statement of Changes in Equity

for the year ended 31 Mar, 2022

### A. EQUITY SHARE CAPITAL (REFER NOTE 13)

(₹ in Lakhs)

As at 01.04.2020	Movement during the year	As at 31.03.2021
1,092.61	28.00	1,120.61

(₹ in Lakhs)

As at 01.04.2021	Movement during the year	As at 31.03.2022
1,120.61	106.50	1,227.11

### B. OTHER EQUITY (REFER NOTE 14)

(₹ in Lakhs)

Particulars	Reserves & Surplus					Total
	Security Premium Reserve	Retained Earnings	General Reserve	Money Received Against Share Warrant	Capital Reserve	
<b>Opening Balance as at 01 April, 2020</b>	<b>4,123.87</b>	<b>6,249.21</b>	<b>3,145.60</b>	-	<b>375.00</b>	<b>13,893.69</b>
Money received against Share Warrants	-	-	-	446.90	-	<b>446.90</b>
Share premium on conversion of Share Warrants Into Equity share	431.20	-	-	-	-	<b>431.20</b>
Dividend 19-20	-	(27.32)	-	-	-	<b>(27.32)</b>
Profit for the Year	-	1,503.63	-	-	-	<b>1,503.63</b>
<b>Opening Balance as at 01 April, 2021</b>	<b>4,555.07</b>	<b>7,725.53</b>	<b>3,145.60</b>	<b>446.90</b>	<b>375.00</b>	<b>16,248.10</b>
Money received against Share Warrants	-	-	-	1,309.95	-	<b>1,309.95</b>
Share premium on conversion of Share Warrants Into Equity share	1,640.10	-	-	-	-	<b>1,640.10</b>
Conversion of share warrant into equity shares	-	-	-	(1,746.60)	-	<b>(1,746.60)</b>
Profit for the Year	-	2,987.18	-	-	-	<b>2,987.18</b>
<b>Closing Balance as at 31 march, 2022</b>	<b>6,195.17</b>	<b>10,712.71</b>	<b>3,145.60</b>	<b>10.25</b>	<b>375.00</b>	<b>20,438.73</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**  
Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**  
Managing Director  
DIN : 01070123

**Anish Bansal**  
Director  
DIN : 00670250

**A.N. GARG**  
(FCA, Partner)  
M.No. 083687

**Arvind Bansal**  
Chief Financial Officer

**Arun Kumar**  
Company Secretary

Place: New Delhi  
Date: May 14th, 2022

## Standalone Statement of Cash Flow

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	For the Year ended	
	31.3.2022	31.03.2021
<b>A. CASH FLOW FROM THE OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax and Extra Ordinary Activity</b>	4091.86	2016.14
Add/(Less) Adjustments for:		
Depreciation & Amortisations	720.40	655.38
Interest Received	(81.52)	(78.19)
Finance Costs	2690.68	2525.64
Other Provisions	3329.56	3102.83
<b>Operating Profit Before Working Capital Changes</b>	<b>7421.43</b>	<b>5118.97</b>
Adjustments for:-		
Increase / (Decrease) Trade Paybles	2973.49	(695.07)
Increase / (Decrease) Current Liabilities	501.52	159.79
Increase / (Decrease) Other Current Liabilities	(101.00)	(24.26)
(Increase) / Decrease Trade Receivables	(4016.01)	2804.89
(Increase) / Decrease Inventories	(4311.51)	229.13
(Increase) / Decrease Other Current assets	(1004.33)	278.73
<b>Cash Generated from Operations</b>	<b>1463.58</b>	<b>7872.18</b>
Direct Taxes Paid	274.51	309.88
<b>Net Cash Flow From Operating Activities</b>	<b>1189.07</b>	<b>7562.30</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Decrease in Advance for Capital Assets	(102.93)	(163.42)
Investment in Wholly Owned Subsidiary	0.00	(0.90)
Increase/ (Decrease) in Non Current Financial assets	46.26	(47.88)
Bank deposits other than Cash and cash equivalents	33.17	93.25
Purchase of Fixed Assets	(4098.02)	(2568.74)
<b>Net Cash Flow From Investing Activities</b>	<b>(4121.52)</b>	<b>(2687.70)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Proceeds on conversion of Share Warrants	1309.95	906.10
Dividend Paid (Including taxes)	-	(27.32)
Increase/ (Decrease) in Long Term Borrowings	1242.92	981.25
Increase/ (Decrease) in Short Term Borrowings	3000.90	(3897.20)
(Increase) / Decrease Other Non Current assets	(0.09)	(402.33)
Interest Received	81.52	78.19
Interest Paid	(2690.68)	(2525.65)
<b>Net Cash Flow Used In Financing Activities</b>	<b>2944.53</b>	<b>(4886.94)</b>
Net Increase/ (Decrease) Changes in Cash & Cash Equivalent (A+B+C)	<b>12.07</b>	<b>(12.35)</b>
Cash and Cash Equivalent at the Beginning of the Year	52.43	64.78
<b>Cash and Cash Equivalent at the Closing of the Year</b>	<b>64.50</b>	<b>52.43</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

**For A.N. GARG & COMPANY**

Chartered Accountants  
FRN - 004616N

**Ajay Kumar Bansal**

Managing Director  
DIN : 01070123

**Anish Bansal**

Director  
DIN : 00670250

**A.N. GARG**

(FCA,Partner)  
M.No. 083687

Place: New Delhi

Date: May 14th , 2022

**Arvind Bansal**

Chief Financial Officer

**Arun Kumar**

Company Secretary

## Notes to the Standalone Financial Statements

### Background

Hi-Tech Pipes Limited is a Public company limited by shares, incorporated and domiciled in India. Its registered office is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi-110034, India and principal place of business is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India.

The Company is in the business of manufacturing of ERW Steel Round & Section Pipes, cold Rolled Strips & Engineering Products and distribution of the same across India

### Note 1. Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Basis of preparation:

##### i) Compliance with Ind AS:

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These Financial Statements have been prepared under applicable Ind AS-Rules and Provisions of Companies Act 2013

##### ii) Accrual basis of accounting

##### iii) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis except for certain financial assets and liabilities that are measured at fair value

#### b) Foreign currency transactions:

##### i) Functional and presentation currency:

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (₹), which is also the functional and presentation currency of the Company.

##### ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain/(loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain/(loss) are presented in the Statement of Profit and Loss on a net basis within other incom/(expense). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/(loss).

#### c) Revenue recognition:

##### i) Timing of recognition :

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company.

This generally happens upon dispatch of the goods to customers, except for export sales

## Notes to the Standalone Financial Statements

which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedents are met and there is no significant uncertainty about the collectability.

### ii) Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, GST (Goods & Service Tax ) etc.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

### d) Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the

initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

### e) Government grants:

- i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.
- iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

## Notes to the Standalone Financial Statements

### f) Leases:

#### As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

#### As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually. Lease rental attributable to the operating lease are charged to Statement of Profit and Loss as lease income whereas lease income attributable to finance lease is recognised as finance lease receivable and recognised on the basis of effective interest rate.

### g) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation

and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value: Depreciation is provided on the Straight Line Method to allocate the cost of assets, net of their residual values, over their estimated useful lives:

Asset category	Estimated useful life
Factory Buildings	30 years
Plant and equipment	10 to 30 years
Vehicle	8 to 10 years
Office equipment and furniture	5 years
Furniture & Fittings	10 years
Computers	3 to 6 years

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

## Notes to the Standalone Financial Statements

### Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

### h) Intangible assets:

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services. Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent. Computer software cost is amortised over a period of 5 years using Straight Line Method.

### Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured under IGAAP as the deemed cost of intangible assets.

### i) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs.

### j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying

amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

### k) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### l) Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

### m) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

### n) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress; manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost is arrived at on moving weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.



## Notes to the Standalone Financial Statements

### o) Investments and other financial assets:

#### Classification:

The Company classifies its financial assets in the following measurement categories:

Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

#### Those measured at amortised cost

The classification depends the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

#### Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

#### Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- ii) Amortised cost

#### Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for

managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

#### Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

#### Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture Company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

## Notes to the Standalone Financial Statements

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and Joint Venture Company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and Joint Venture Company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

### Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

### De-recognition:

A financial asset is de-recognised only when the Company

- i) has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is

de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### Financial liabilities:

#### i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

## Notes to the Standalone Financial Statements

### iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### iv) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

### p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless

the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

### s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more

## Notes to the Standalone Financial Statements

uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### Employee benefits:

Short-term employee benefits:

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

### Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation

Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### t) Research and Development expenditure:

Research and Development expenditure is charged to revenue under the natural heads of account

## Notes to the Standalone Financial Statements

in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

### u) Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

### v) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be

different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

- i) Estimation of useful life of tangible assets
- ii) Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

Note 27.18 Regrouped/ Recast/Reclassified

Figures of earlier year have been reclassified to conform to Ind AS presentation requirement.

Note 27.19 Rounding off.

Figures less than 50000 have been shown at actual in brackets

Note 27.20 Authorisation for issue of the Financial statement

The Financial Statements were authorised for issue by the Board of Directors on May 14<sup>th</sup>, 2022.

## Notes to the Standalone Financial Statements

### 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land	Office Building	Factory Shed & Building	Plant & Machinery	Office Equipment	Computers	Furniture & Fixtures	Vehicles	Total Tangible Assets
<b>Gross Carrying amount as at 31.03.2020</b>	<b>1,531.01</b>	<b>2,139.88</b>	<b>1,551.15</b>	<b>9,122.49</b>	<b>79.54</b>	<b>32.05</b>	<b>261.12</b>	<b>460.69</b>	<b>15,177.95</b>
Addition	500.01	144.71	275.12	747.76	14.37	6.63	10.96	71.99	<b>1,771.55</b>
Disposals	-	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31.3.2021</b>	<b>2,031.03</b>	<b>2,284.59</b>	<b>1,826.27</b>	<b>9,870.25</b>	<b>93.91</b>	<b>38.68</b>	<b>272.08</b>	<b>532.67</b>	<b>16,949.50</b>
Addition	215.33	-	16.55	3866.28	2.94	13.71	0.54	133.06	<b>4,248.41</b>
Disposals	-	-	-	-	-	-	-	17.39	<b>17.39</b>
<b>Gross Carrying amount as at 31.3.2022</b>	<b>2,246.36</b>	<b>2,284.59</b>	<b>1,842.82</b>	<b>13,736.53</b>	<b>96.85</b>	<b>52.39</b>	<b>272.62</b>	<b>648.34</b>	<b>21,180.52</b>
<b>Accumulated depreciation</b>									
<b>Balance as at 31.03.2020</b>	-	<b>106.25</b>	<b>238.82</b>	<b>1,210.53</b>	<b>35.00</b>	<b>20.57</b>	<b>73.38</b>	<b>119.28</b>	<b>1,803.82</b>
Depreciation for the year	-	22.88	45.04	504.00	5.11	4.27	21.54	49.04	<b>651.88</b>
Depreciation on Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.2021</b>	-	<b>129.13</b>	<b>283.86</b>	<b>1,714.53</b>	<b>40.11</b>	<b>24.84</b>	<b>94.92</b>	<b>168.32</b>	<b>2,455.70</b>
Depreciation for the year	-	36.46	56.16	546.80	6.00	3.15	21.54	49.04	<b>719.15</b>
Depreciation on Disposals	-	-	-	-	-	-	-	3.37	<b>3.37</b>
<b>Balance as at 31.03.2022</b>	-	<b>165.58</b>	<b>340.02</b>	<b>2,261.33</b>	<b>46.11</b>	<b>27.99</b>	<b>116.46</b>	<b>213.99</b>	<b>3,171.48</b>
<b>Net Carrying Amount</b>									
<b>As at 31.03.2022 (FAR)</b>	2,246.36	2,119.01	1,502.81	11,475.20	50.75	24.40	156.16	434.36	<b>18,009.04</b>
<b>As at 31.03.2021 (FAR)</b>	<b>2,031.03</b>	<b>2,155.46</b>	<b>1,542.42</b>	<b>8,155.72</b>	<b>53.81</b>	<b>13.84</b>	<b>177.16</b>	<b>364.36</b>	<b>14,493.80</b>
<b>As at 31.03.2020(FAR)</b>	<b>1,531.01</b>	<b>2,033.64</b>	<b>1,312.34</b>	<b>7,911.96</b>	<b>44.55</b>	<b>11.49</b>	<b>187.73</b>	<b>341.41</b>	<b>13,374.12</b>
Useful life of Assets (Years)	NA	60	30	10-30	8-15	3-6	10	10	
Method of Depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	

Note:

- Property, Plant & equipment have been pledged as security against certain borrowings of the company as at 31 March 2022 (Refer Note 15)
- The Company has Capitalised ₹ 649.58 Lakh as interest during the Financial Year 2021-22. Capitalisation was ₹ 215.50 Lakh as Interest for financial year 2020-21.

### 3. CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Total
<b>As at 31.03.2021</b>	<b>2,944.11</b>
<b>As at 31.03.2022</b>	<b>2,807.74</b>

## Notes to the Standalone Financial Statements

### Capital work-in-progress aging schedule

(₹ in Lakhs)

Particulars	As at 31st March, 2022					As at 31st March, 2021				
	< 1 year	1-2 years	2-3 years	> 3 years	Total	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress										
Sanand Project	606.65	208.96	-	-	<b>815.61</b>	310.87	101.91	-	-	<b>412.78</b>
Sikandrabad project	1,491.31	500.82	-	-	<b>1,992.13</b>	1,930.06	601.27	-	-	<b>2,531.33</b>
<b>Total</b>	<b>2,097.96</b>	<b>709.78</b>	-	-	<b>2,807.74</b>	<b>2,240.93</b>	<b>703.18</b>	-	-	<b>2,944.11</b>

### 4. INTANGIBLE ASSETS

(₹ in Lakhs)

Intangibles Assets	Computer Software	Intangibles Total
<b>Gross Carrying amount as at 31.03.2020</b>	<b>21.84</b>	<b>21.84</b>
Additions	-	-
Disposals	-	-
<b>Gross Carrying amount as at 31.03.2021</b>	<b>21.84</b>	<b>21.84</b>
Additions	-	-
Disposals	-	-
<b>Gross Carrying amount as at 31.03.2022</b>	<b>21.84</b>	<b>21.84</b>
<b>Accumulated Amortisation and impairment</b>		
<b>Balance as at 31.03.2020</b>	<b>17.09</b>	<b>17.09</b>
Amortisation for the year	3.50	3.50
Amortisation on Disposals	-	-
<b>Balance as at 31.03.2021</b>	<b>20.59</b>	<b>20.59</b>
Amortisation for the year	1.25	1.25
Amortisation on Disposals	-	-
<b>Balance as at 31.03.2022</b>	<b>21.84</b>	<b>21.84</b>
<b>Net Carrying Value</b>		
As at 31.03.2022	-	-
As at 31.03.2021	1.25	1.25
As at 31.03.2020	<b>4.75</b>	<b>4.75</b>
Useful life of Assets (Years)	<b>3-5</b>	
Method of Depreciation	<b>SLM</b>	

## Notes to the Standalone Financial Statements

### 5. INVESTMENTS IN SUBSIDIARIES (NON CURRENT)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. Of Shares	(₹ in Lakhs)	No. Of Shares	(₹ in Lakhs)
<b>A. Investment in Equity Shares (Unquoted Subsidiaries (at cost or deemed cost))</b>				
HTL Metal Pvt. Ltd. (face value of ₹10/- each)	23,60,000	301.10	23,60,000	301.10
HITECH Metalex Pvt Ltd.	10,000	1.00	10,000	1.00
HTL ISPAT P LTD	5,00,000	47.10	5,00,000	47.10
<b>Total Unquoted</b>		<b>349.20</b>		<b>349.20</b>
Aggregate carryig value		349.20		349.20
<b>Investment at Cost</b>		<b>349.20</b>		<b>349.20</b>

### 6. LOANS (UNSECURED) (NON CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Loans (Considered good)</b>		
to related parties*	985.39	998.85
Security deposit	367.96	354.41
<b>Total</b>	<b>1,353.35</b>	<b>1,353.26</b>

\*Details of loans and advances in the nature of loans to subsidiaries (including interest receivable):

Name of Company	As at 31.03.2022 Maximum amount outstanding during the year	As at 31.03.2022 Amount outstanding	As at 31.03.2021 Maximum amount outstanding during the year	As at 31.03.2021 Amount outstanding
HTL Metal Pvt. Ltd.	203.79	193.82	204.76	200.41
HTL Ispat Pvt Ltd.	815.65	785.62	804.56	798.44
HITECH Metalex Pvt Ltd.	6.02	5.95	-	-
	<b>1,025.46</b>	<b>985.39</b>	<b>1,009.32</b>	<b>998.85</b>

### 7. OTHER ASSETS (UNSECURED) (NON CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Capital Advances ( considered good)	336.43	233.50
<b>Total</b>	<b>336.43</b>	<b>233.50</b>

### 8. INVENTORIES

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Inventories (at lower of cost and net realisable value)</b>		
Raw materials	8,008.14	6,361.00
Semi-finished / finished goods	9,091.54	6,260.75
Production consumables and stores and spares	761.72	690.00
Waste & Scrap	211.86	450.00
<b>Total</b>	<b>18,073.26</b>	<b>13,761.75</b>

Inventories have been hypotheticated as security against certain bank borrowings of the company (Refer note 19)



## Notes to the Standalone Financial Statements

### 9. TRADE RECEIVABLES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured (considered good)	12,496.93	8,480.92
<b>Total</b>	<b>12,496.93</b>	<b>8,480.92</b>

#### a) Ageing of trade receivables

##### i) Undisputed trade receivables

(₹ in lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
<b>Outstanding for following periods from due date of receipts</b>				
Less than 6 months	438.25	-	250.31	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Within credit period	12,058.68	-	8,230.61	-
<b>Total</b>	<b>12,496.93</b>	<b>-</b>	<b>8,480.92</b>	<b>-</b>

##### ii) disputed trade receivables

(₹ in lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
<b>Outstanding for following periods from due date of receipts</b>				
Less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Within credit period	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Notes

- The credit period on sale of goods ranges from 30 to 60 days without securities. No interest is charged on trade receivables.
- Before accepting any new customer, the company evaluates the financial position, past performance, business opportunities, credit references etc. of the new customers and define credit limit and credit period. The credit limit and the credit period are reviewed at periodical intervals.
- The company does not generally hold any collateral or other credit enhancements over the balances.
- Trade receivables have been given as collateral toward borrowings (refer security note below Note 19)

## Notes to the Standalone Financial Statements

### 10. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance with banks in current accounts	8.03	11.93
Cash on hand	56.46	40.49
<b>Total</b>	<b>64.50</b>	<b>52.43</b>

### 11. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Earmarked balances</b>		
In current accounts	0.46	0.46
In margin money ( with maturity more than 3 months but less than 12 months ) at inception	1,595.62	1,628.79
<b>Total</b>	<b>1,596.08</b>	<b>1,629.25</b>

11.1 Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees & LC issued by Banks.

### 12. OTHER CURRENT ASSETS (UNSECURED) (CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advances to suppliers & others	1,664.20	1,629.69
Balance with Government authorities	1,293.00	351.92
Prepayment & others	78.16	49.42
<b>Total</b>	<b>3,035.36</b>	<b>2,031.03</b>

### 13. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at	As at	As at	As at
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	Number of Share		Amount	
<b>Share Capital</b>				
<b>(a) Authorised :</b>				
Equity shares of the par value of ₹10/- each	140.00	140.00	1,400.00	1,400.00
<b>(b) Issued and subscribed: (A)</b>				
Outstanding at the beginning of the year	112.06	109.26	1,120.61	1,092.61
<b>(c) Conversion of Equity Warrants into Equity Shares (B)</b>	10.65	2.80	106.50	28.00
<b>(d) Outstanding at the end of the year (C=A+B)</b>	122.71	112.06	1,227.11	1,120.61
<b>Total (C)</b>	<b>122.71</b>	<b>112.06</b>	<b>1,227.11</b>	<b>1,120.61</b>

## Notes to the Standalone Financial Statements

### a) The Movement of Share Capital in Subscribed and Paid up Share Capital is set out as below

Particulars	(in lakhs)			
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
	Number of Share		Amount	
Equity shares of ₹10/- each fully paid up as on 1 April	112.06	109.26	1,120.61	1,092.61
Add: Fresh Equity Shares Issued on preferential basis during the year**	-	-	-	-
Add: Conversion of Equity Warrants into Equity Share	10.65	2.80	106.50	28.00
<b>Equity shares - closing as on 31 March</b>	<b>122.71</b>	<b>112.06</b>	<b>1,227.11</b>	<b>1,120.61</b>

### b) Conversion of Equity Share Warrant into Equity Share of face value ₹ 10 each at ₹164/- Per Share

Date of Allotment	Number of Share	Share Capital	Security Premium	Total
March 12, 2021	1,50,000	15,00,000	2,31,00,000	2,46,00,000
March 31, 2021	1,30,000	13,00,000	2,00,20,000	2,13,20,000
F. Y 21-22 *	10,65,000	1,06,50,000	16,40,10,000	17,46,60,000
	<b>13,45,000</b>	<b>1,34,50,000</b>	<b>20,71,30,000</b>	<b>22,05,80,000</b>

\* Note: As on 31st March 2022, only 25000 warrants are Pending for Conversion in to Equity Shares.

### c) \*\*Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares and carry a right of dividend. Each shareholder is eligible for one vote per share held & 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.

### d) Shareholders holding more than 5% share in the Company are set out below:

Particulars	(₹ in Lakhs)			
	As at 31 March 2022		As at 31 March 2021	
	Number of Share	% of Share	Number of Share	% of Share
Ajay Kumar Bansal	17,34,177	14.13%	16,80,677	15.00%
Parveen Bansal	10,10,206	8.23%	10,40,206	9.28%
Anish Bansal	12,16,600	9.91%	10,66,600	9.52%
Vipul Bansal	9,87,600	8.05%	8,37,600	7.47%
AKS Buildcon Pvt. Ltd.	5,52,000	4.50%	5,52,000	4.93%
Ajay Kumar & Sons (HUF)	5,20,800	4.24%	5,20,800	4.65%
Hi- Tech Agrovision Pvt. Ltd.	5,16,000	4.21%	5,16,000	4.60%
Shweta Bansal	5,51,200	4.49%	5,51,200	4.92%

## Notes to the Standalone Financial Statements

### e) Shares held by promoters and promoter group at the end of the year:

S. No.	Name of the promoter Promoters	As at 31st March, 2022		As at 31st March, 2021		% change during the year
		No of shares	% of total shares	No of shares	% of total shares	
1	Ajay Kumar Bansal	17,34,177	14.13%	16,80,677	15.00%	-0.87%
2	Anish Bansal	12,16,600	9.91%	10,66,600	9.52%	0.39%
	<b>Total</b>	<b>29,50,777</b>	<b>24.04%</b>	<b>27,47,277</b>	<b>24.52%</b>	<b>-0.48%</b>
	<b>Promoter's Group</b>					
3	Parveen Bansal	10,10,206	8.23%	10,40,206	9.28%	-1.05%
4	Vipul Bansal	9,87,600	8.05%	8,37,600	7.47%	0.58%
5	AKS Buildcon Pvt. Ltd.	5,52,000	4.50%	5,52,000	4.93%	-0.43%
6	Ajay Kumar & Sons (HUF)	5,20,800	4.24%	5,20,800	4.65%	-0.41%
7	Hi- Tech Agrovision Pvt. Ltd.	5,16,000	4.21%	5,16,000	4.60%	-0.39%
8	Shweta Bansal	5,51,200	4.49%	5,51,200	4.92%	-0.43%
9	Richi Bansal	-	-	1,08,000	0.96%	-0.96%
10	Krati Bansal	-	-	72,000	0.64%	-0.64%
11	Kumud Bansal	-	-	48,000	0.43%	-0.43%
12	Naresh Kumar Bansal	1,88,800	1.54%	8,800	0.08%	1.46%
	<b>Total</b>	<b>43,26,606</b>	<b>35.26%</b>	<b>42,54,606</b>	<b>37.96%</b>	<b>-2.70%</b>
	Grand Total	<b>72,77,383</b>	<b>59.30%</b>	<b>70,01,883</b>	<b>62.48%</b>	<b>-3.18%</b>

### f) For the period of five years immediately preceding the date of Balance Sheet,

Aggregate number & class of shares allotted by the company as fully paid up pursuant to contracts without receipt of cash : **NIL**

Aggregate number & class of shares bought back by the company : **NIL**

Aggregate number & class of shares allotted by the company as fully paid up by way of bonus shares

Particulars	2015-16
Fully paid up Equity shares by way of Bonus Shares (Face Value of ₹10/- each)	37,85,550

### g) Dividends

The Board of Directors, in its meeting on May 14, 2022 has recommended a final dividend of ₹ 0.50 per equity share for the financial year ended March 31, 2022. This proposal is subject to the approval of Shareholders at the ensuing Annual General Meeting

## 14. OTHER EQUITY

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Securities premium account	6,195.17	4,555.07
Retained earnings	10,712.71	7,725.53
General reserve	3,145.60	3,145.60
Capital Reserve	375.00	375.00
Share Warrants	10.25	446.90
<b>Total</b>	<b>20,438.73</b>	<b>16,248.10</b>

## Notes to the Standalone Financial Statements

### (i) Securities premium account

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

### (ii) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

### (iii) Capital Reserve

The Company had allotted 8,00,000 Fully Convertible Warrants at a price of ₹100 being 25% of issue price of ₹400/- on March, 2018 out of which the allottees had converted their 4,25,000 FCW's into 4,25,000 Equity Shares within the period of 18 Months and 3,75,000 FCW's were left pending for conversion. Hence, the Company has forfeited the allotment money of ₹3,75,00,000 (₹ Three Crore Seventy Five Lakhs) for 3,75,000 FCW's and transferred the same on 30th sept.2019 in the Capital Reserve Account

## 15. BORROWINGS (NON CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Term Loans:</b>		
From Bank	7,734.72	6,384.64
<b>Vehicle Loans</b>	79.00	71.16
<b>Total (A)</b>	<b>7,813.72</b>	<b>6,455.80</b>
<b>Unsecured</b>		
From DIRECTORS	285.00	400.00
From others	73.80	73.80
<b>Intercorporate Borrowings:</b>		
Loan from Related Parties	73.55	73.55
<b>Total (B)</b>	<b>432.36</b>	<b>547.36</b>
Unamortised upfront fee on Secured Borrowing ('C')	(23.66)	(23.66)
<b>Total (A) + (B) + ('C')</b>	<b>8,222.42</b>	<b>6,979.50</b>

Particulars	As at 31.03.2022		As at 31.03.2021	
	non current	current	non current	current
<b>Term Loans:</b>				
From Bank	7,734.72	1,851.19	6,384.64	1,331.37
<b>Vehicle Loans</b>	79.00	50.72	71.16	86.10
<b>Total</b>	<b>7,813.72</b>	<b>1,901.91</b>	<b>6,455.80</b>	<b>1,417.47</b>

## Notes to the Standalone Financial Statements

- A.** Term Loan aggregating to ₹ 7734.72.72 Lakhs (Non current), ₹ 1851.19 Lakhs (current) (PY ₹ 6384.64 Lakhs Non Current & ₹ 1331.37 Lakhs Current) are secured. Some of these loans are secured by Equitable Mortgage Hypothecation of plant & machinery of its manufacturing units situated at plot No. 10 & 16 at sikandrabad, sanad, gujrat and personnel guarantee of promoter Director. some of these loans are secured by Equitable mortgage on comapny's commercial property. these loans are repayable in monthly or quarterly installments along with interest.
- B.** Term Loan aggregatingto ₹ 79.00 Lakhs ( Non Current ) ₹ 50.72 Lakhs (Current ) (P.Y ₹ 71.16 Lakhs Non Current & ₹ 86.10 Lakhs Current) are secured by specific charge on the vehicle hypothcated againgst these loans. These term loans are repayable in monthly installments along with interest.

### 16. OTHER FINANCIAL LIABILITIES (NON CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Security Deposits from Agents/Dealers</b>		
Other Deposits	80.25	33.99
<b>Total</b>	<b>80.25</b>	<b>33.99</b>

### 17. PROVISIONS (NON-CURRENT)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Provision for Leave encashment	0.30	0.14
Provision for Gratuity	89.53	84.75
<b>Total</b>	<b>89.83</b>	<b>84.89</b>

### 18. INCOME TAXES

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and education cess.

## Notes to the Standalone Financial Statements

### (a) Income tax expense / (benefits)

(₹ in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>Current tax :</b>		
Current tax	868.29	309.88
Tax refund / reversal pertaining to earlier years	63.71	-
	<b>932.00</b>	<b>309.88</b>
<b>Deferred tax :</b>		
Deferred tax	172.68	202.62
Tax provision/(reversal) for earlier years	-	-
<b>Total deferred tax</b>	<b>172.68</b>	<b>202.62</b>
<b>Total Tax expense / (benefit)</b>	<b>1,104.68</b>	<b>512.50</b>

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit/loss before tax	4,091.86	2,016.14
Enacted tax rate in India	25.17%	25.17%
<b>Expected income tax expense / (benefit) at statutory tax rate</b>	<b>1,029.92</b>	<b>507.46</b>
Depreciation under Income Tax Act	(357.92)	(378.05)
Expenses not deductible in determining taxable profits	196.29	180.47
Deductions allowed under tax Laws	-	-
Others	-	-
Tax expense for the Current year	<b>868.29</b>	<b>309.88</b>
Tax expense pertaining to current year	<b>868.29</b>	<b>309.88</b>
<b>Effective income tax rate</b>	<b>21.22%</b>	<b>15.37%</b>

### Deferred tax assets / (liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred tax liabilities (net)	1,495.13	1,322.45
<b>Total</b>	<b>1,495.13</b>	<b>1,322.45</b>

## Notes to the Standalone Financial Statements

(₹ in Lakhs)

Deferred tax balance in relation to	As at 31.03.2021	Recognised / reversed through P/L	Recognised in / reclassi-fied from other OCI	As at 31.03.2022
Property, plant and equipment	(1,308.87)	(156.06)	-	(1,464.93)
Provisions for employee benefit / loans, advances and guarantees	(13.58)	(16.62)	-	(30.20)
<b>Total</b>	<b>(1,322.45)</b>	<b>(172.68)</b>	<b>-</b>	<b>(1,495.13)</b>

(₹ in Lakhs)

Deferred tax balance in relation to	As at 31.03.2020	Recognised / reversed through P/L	Recognised in / reclassi-fied from other OCI	As at 31.03.2021
Property, plant and equipment	(1,126.51)	(182.36)	-	(1,308.87)
Provisions for employee benefit / loans, advances and guarantees	7.08	(20.26)	(0.40)	(13.58)
<b>Total</b>	<b>(1,119.43)</b>	<b>(202.62)</b>	<b>(0.40)</b>	<b>(1,322.45)</b>

### 19. BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Working capital loans from banks (secured)	15,787.37	12,786.46
<b>Total</b>	<b>15,787.37</b>	<b>12,786.46</b>

#### Working capital loan are secured by :-

Working capital facilities availed are secured by first pari passu charge on entire current assets of the company and second pari passu on moveable fixed assets of the company. These credit facilities are further secured by personal guarantee of promoter-directors of the company.

### 20. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Trade payables :</b>		
a) Outstanding dues of micro and small enterprises	-	-
b) Outstanding dues of creditors other than micro and small enterprises	7,189.42	4,602.27
<b>Total</b>	<b>7,189.42</b>	<b>4,602.27</b>
Other than Raw Material	575.72	189.20
<b>Total</b>	<b>7,764.96</b>	<b>4,791.47</b>

Credit Terms of these Trade Payable varies from 0-90 days.



## Notes to the Standalone Financial Statements

### a) Ageing of trade payables

#### i) Undisputed trade payables

(₹ in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	1,329.51	-	914.36
1-2 years	-	12.63	-	50.62
2-3 years	-	1.60	-	2.51
> 3 years	-	0.20	-	0.20
Not Due	-	5,845.30	-	3,634.58
Unbilled	-	-	-	-
<b>Total</b>	<b>-</b>	<b>7,189.24</b>	<b>-</b>	<b>4,602.27</b>

#### ii) Disputed trade payables

(₹ in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Unbilled	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Credit Terms of these Trade Payable varies from 0-90 days.

### 21. OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
TERM LOANS	1,851.19	1,331.37
VEHICLE LOANS	50.72	86.10
<b>Current maturities of long-term borrowing (refer note 15)</b>	<b>1,901.91</b>	<b>1,417.47</b>
Interest accrued but not due on borrowings	97.13	80.05
<b>Total</b>	<b>1,999.04</b>	<b>1,497.52</b>

## Notes to the Standalone Financial Statements

### 22. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advances from customers	76.26	48.23
Statutory liabilities	56.30	1.89
Dividend Payable	0.46	0.46
<b>Total</b>	<b>133.01</b>	<b>50.58</b>

### 23. PROVISIONS (CURRENT)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Leave encashment	0.23	0.11
Bonus payable	17.16	28.89
Provision for Gratuity	14.88	9.88
Current provisions	96.51	234.64
<b>Total</b>	<b>128.78</b>	<b>273.52</b>

### 24. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
<b>Sale of products:</b>		
Domestic turnover	1,46,814.20	1,02,080.94
Export turnover	4,066.13	239.83
<b>Total (A)</b>	<b>1,50,880.33</b>	<b>1,02,320.77</b>
<b>Other operating revenues</b>		
Rent	129.50	109.38
Job Work	179.03	218.57
<b>Total (B)</b>	<b>308.53</b>	<b>327.95</b>
<b>Grand Total (A+B)</b>	<b>1,51,188.85</b>	<b>1,02,648.72</b>

### 25. OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Interest Income earned on financial assets		
Bank deposits	81.52	78.19
Other Income	12.16	1.52
<b>Total</b>	<b>93.67</b>	<b>79.71</b>

## Notes to the Standalone Financial Statements

### 26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
<b>Opening Stock :</b>		
Semi finished /finished goods	4652.95	4,333.00
Rejection & Scraps	450.00	469.00
Work-in-progress	1,607.80	1,604.00
<b>Total (A)</b>	<b>6,710.75</b>	<b>6,406.00</b>
<b>Closing stock :</b>		
Semi finished /finished goods	7,683.34	4,652.95
Rejection & Scraps	211.86	450.00
Work-in-progress	1,408.20	1,607.80
<b>Total (B)</b>	<b>9,303.40</b>	<b>6,710.75</b>
<b>Grand Total C (A-B)</b>	<b>(2,592.65)</b>	<b>(304.75)</b>

### 26.1 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Indigenous Raw Material & stores	1,39,753.45	91,891.22
<b>Total</b>	<b>1,39,753.45</b>	<b>91,891.22</b>

### 27. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Salaries and wages	1,514.21	1,218.07
Contribution to provident and other funds	28.85	25.55
Provisions for Employees Benefits	32.63	41.65
Staff welfare expenses	51.51	49.33
<b>Total</b>	<b>1,627.20</b>	<b>1334.61</b>

### 28. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Interest expenses on borrowings	2,374.50	2,173.69
Other borrowing costs	316.17	351.96
<b>Total</b>	<b>2,690.68</b>	<b>2,525.64</b>

### 29. DEPRECIATION AND AMORTIZATION

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Tangible assets	719.15	651.88
Intangible assets	1.25	3.50
<b>Total</b>	<b>720.40</b>	<b>655.38</b>

## Notes to the Standalone Financial Statements

### 30. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Power and fuel	2,269.97	1,462.35
Rent	47.72	10.40
<b>Repairs and maintenance</b>		
Plant and equipment	67.72	53.03
Buildings	129.99	39.33
Others	75.67	23.14
Sales Promotion	382.20	77.23
Fee & Subscription	49.09	14.26
Insurance	56.46	49.87
Carriage and freight	832.48	686.06
Commission on sales	77.60	104.68
Travelling and Conveyance	154.74	111.73
Legal or Professional Consultation Charges	105.28	108.59
Vehicle Running and Maintenance	115.75	82.26
Security Services	60.93	45.15
CSR Exp.	43.38	44.20
Miscellaneous expenses	272.11	132.90
<b>Total</b>	<b>4,741.08</b>	<b>3,045.19</b>

Auditors remuneration (excluding GST/Service Tax ) included in miscellaneous expenses :

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
As Audit fees (including limited review)	17.00	17.00
For Tax audit fees	1.00	1.00
<b>Total</b>	<b>18.00</b>	<b>18.00</b>

### 31. EARNINGS PER SHARE (EPS)

(₹ in Lakhs)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Profit/(Loss) attributable to Equity shareholders (A)	2,987.18	1,503.63
<b>Weighted average number of Equity shares for basic EPS (B)</b>	<b>119.43</b>	<b>109.35</b>
Effect of Dilution :		
Equity share outstanding	<b>119.43</b>	<b>109.35</b>
Weighted average number of Treasury shares held through Convertible Warrant	0.25	10.90
<b>Weighted average number of Equity shares adjusted for the effect of dilution ( C )</b>	<b>119.68</b>	<b>120.95</b>
Basic EPS (Amount in ₹) (A/B)	25.01	13.75
Diluted EPS (Amount in ₹) (A/C)	24.96	12.50
Face value per Share	₹10/-	₹10/-

## Notes to the Standalone Financial Statements

### 32. FINANCIAL RATIOS

S. No.	Particulars	Numerator	Denominator	Ratios For the year ended		Variance (%)	Change in ratio in excess of 25% compared to preceding year
				31st March, 2022	31st March, 2021		
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.33	1.33	-0.07%	-
2	Debt-Equity Ratio (in times)	Total Borrowings	Total Equity	1.12	1.14	-2.52%	-
3	Debt Service Coverage Ratio (in times)	Profit before tax + Depreciation and amortisation expenses + interest on term loans	Interest on term loans + Scheduled principal repayments of term loans	1.63	1.88	-13.32%	-
4	Return on Equity Ratio (%)	Net profit after tax	Average Networth	15.31%	9.29%	64.67%	Increase was primarily on account of increase in profit after tax
5	Inventory Turnover (no. of days)	Inventory	Revenue from operations per day	44	49	-10.83%	-
6	Debtors Turnover (no. of days)	Trade Receivables * No of days in the reporting year	Revenue from operations	30	30	0.04%	-
7	Payables Turnover (no. of days)	Trade payables * No of days in the reporting year	Revenue from operations	19	17	10.03%	-
8	Net Capital Turnover (in times)	Revenue from operations	Working capital	20.01	17.40	14.99%	-
9	Net Profit Margin (%)	Net profit for the year	Total Income	1.97%	1.46%	34.90%	Higher profit margin attributable to increase in profit after tax and increase in total income
10	Return on Capital Employed (%)	Profit before tax + Interest on long term loans	Net worth + Total borrowings + Deferred Tax	14.79%	12.19%	21.35%	-
11	Return on Investment (%)	Profit generated on sale of investment	Cost of investment	-	-	-	-

## Notes to the Standalone Financial Statements

### 33. SEGMENT REPORTING

In accordance with the provisions of Ind AS 108 -Operating Segment, the operations of the company falls under manufacturing of Steel Tubes & Pipes and which is also considered to be the reportable segment by management.

### 34. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
1	Amount required to be spent by the company during the year	43.38	44.20
2	Amount of expenditure incurred		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than (i) above	43.38	44.20
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	<b>Ensuring environmental sustainability, ecological balance</b>	
7	Amount unspent, if any;	-	-
8	Details of related party transactions	-	-
9	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

### 35. FINANCIAL INSTRUMENTS

#### a) Capital Risk Management

The company's capital requirements are mainly to fund its expansion, working capital and strategic acquisition. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by short term borrowings from bank and the funds from capital market. The company is not subject to any externally imposed capital requirements.

The company regularly consider other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and closely monitors its judicious allocation amongst competing expansion projects and strategic acquisition, to capture market opportunities at minimum risk.

The company monitors its capital gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowing less cash and cash equivalents, bank balances other cash and cash equivalents.

## Notes to the Standalone Financial Statements

Particulars	As at 31-03-2022	As at 31-03-2021
Long term borrowings	82,22,42,185	69,79,49,765
Current maturities of long term debts	19,01,91,000	14,17,47,000
short term bottowings	1,57,87,37,385	1,27,86,46,048
Less: Cash and Cash equivalents	(64,49,510)	(52,42,664)
Less: Bank balances other than cash and cash equivalents	(15,96,07,564)	(16,29,24,665)
Net Debt	2,42,51,13,496	1,95,01,75,485
Total Equity	2,16,65,84,226	1,73,68,70,905
Gearing Ratio	1.12	1.12

- i) Equity includes all capital and reserves of the Company that are managed as capital.
- ii) Debt is defined as long and short term borrowings (excluding financial guarantee contracts), as described in Note 15 and 19.

### c) Financial risk management

The Company has an Audit & Risk Management Committee established by its Board of Directors for the Risk Management Framework and developing and monitoring the Company's risk management policy. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

### D) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity prices and interest rates.

### E) Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its products. Market forces generally determine prices for the steel products sold by the company. These prices may be influenced by factors such as supply and demand, production costs (including the cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

The Company purchases the steel and other building products in the open market from third parties in prevailing market price. The Company is therefore subject to fluctuations in the prices of HR Coils, Zinc etc.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures the products based on prevailing market rates as the selling prices of steel products and the prices of inputs moves in the same direction.

## Notes to the Standalone Financial Statements

### F) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees. The risk is managed by the Company by keeping a close watch on the market variables and time to time negotiations with the Bankers for reduction of rate of interest.

### G) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arises principally from the trade receivables and advances

#### Trade receivables:

Customer credit risk is managed centrally by the company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/ economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored.

### E) Liquidity risk management

Liquidity risk refers to the risk of financial distress extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for: term operational needs as well as for capex purposes. The Company generates sufficient cashflow for operations, which together with the available cash and cash equivalents and short term borrowings provide liquidity. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continue monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. A table showing maturity profile of the Financial Assets & Liabilities has been placed on the website of the company.

### F) Fair Valuation of Financial Instrument

Carrying value and Fair Value of Financial Instrument as on 31-03-2018, 31-03-2017 and 01-04-2016 is the same & there is no difference therein.

## 36. OPERATING LEASE

### a) As Lessor:

The company has entered into leasing arrangements for renting of a building admesuring approximately 1262 Square meter at the rate of ₹ 870/- per SM monthly For the period of 12 months, which is renewable.

Disclosure in respect of assets (building) given on operating lease:

Particulars	As at 31-03-2022	As at 31-03-2021
Gross carrying amount of assets	3,71,80,995	3,71,80,995
Accumulated Depreciation	79,89,807	75,36,398
Depreciation for the year	4,53,409	4,53,409



## Notes to the Standalone Financial Statements

### b) As Lessee:

Various building have been taken on operation lease with lease term for 11 months for office premises, storage space & employee residence which are renewable on a periodic basis by mutual consent of both parties. All the operating lease are cancelable by either parties for any reason by giving a prior notice. There is no restriction imposed by lease agreements, such as those concerning dividends, additional debts.

Lease payments recognised under rent expenses is as follows:

Particulars	For the year ended 31-03-2022	For the year ended 31-03-2021
Minimum lease payment made on operating lease	23,35,682	23,35,682

### 37. RELATED PARTY DISCLOSURES

#### A. Name of Related Parties and nature of relationship:

<b>1 Associate enterprise over which key management personnels and their relative exercise significant influence</b>	1.	Hitech Agro Vision Pvt Ltd
	2.	AKS Buildcon Pvt Ltd
	3.	Hi-tech Saw Pvt Ltd
	4.	Hitech Metalex Pvt Ltd
<b>2 Subsidiaries</b>	1.	HTL Metal Pvt. Ltd. (Wholly Owned Subsidiary)
	2.	HTL Ispat Pvt Ltd. (Wholly Owned Subsidiary)
	3.	HITECH Metalex Pvt Ltd. (Wholly Owned Subsidiary)
<b>3 Key Management Personnel (KMP)</b>	1.	Sh. Ajay Kumar Bansal as Managing Director
	2.	Sh. Anish Bansal as Whole time Director
	3.	Sh. Arvind Bansal, Chief Financial Officer
	4.	Sh. Arun Kumar, CS & Compliance Officer
<b>4 Relatives of Key Management Personnel</b>	1.	Vipul Bansal is as Relatives of Managing Director
	2.	Rakesh Bansal is as Relatives of Managing Director

#### B. Transactions with related parties & Outstanding balance

			(₹ in Lakhs)	
Particulars			Value of Transaction	
			FY 2021-22	FY 2020-21
1	Remuneration paid to Key Management Personnel		180.00	180.00
2	Sale of Goods To Subsidiaries		1,724.82	-
3	Purchase of Goods from Susidiaries		80.94	-
4	Outstanding balance of Key Management Personnel	<b>Cr Bal</b>	358.80	473.80
5	Outstanding balance of Relatives of Key Management Personnel	<b>Cr Bal</b>	57.82	57.82
6	Outstanding balance of Wholly owned subsidiary		985.39	998.85

In respect of above parties there is no provision for doubtful debt as on March 31st, 2021 and no amount is written off or written back during the year in respect of debt/loans and advances due from/to them.

## Notes to the Standalone Financial Statements

Credit facilities of the company is further is collaterally secured by the personal gaurantee of the Promoter Directors as declared in note 15 & 19

### 38. CONTINGENT LIABILITIES:

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Corporate Guarantee given for Subsidiaries	-	-
Disputed UP Valud Added Tax Demand <sup>^</sup>	43.27	43.27
Performance Bank Guarantee *	347.32	88.12
<b>Total</b>	<b>390.59</b>	<b>131.39</b>

<sup>^</sup> Refer item (vii) of the Independent Audit Report

\* Govt. Tender.

### 39. COMMITMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Estimated value of capital commitments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 40. ADDITIONAL INFORMATION

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
a CIF Value of Imports	2.51	29.38
b Foreign Currency Earnings	4,030.52	-
c Foreign Currency Expenditure	13.39	2.97

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors

#### For A.N. GARG & COMPANY

Chartered Accountants  
FRN - 004616N

#### Ajay Kumar Bansal

Managing Director  
DIN : 01070123

#### Anish Bansal

Director  
DIN : 00670250

#### A.N. GARG

(FCA, Partner)  
M.No. 083687

Place: New Delhi

Date: May 14th , 2022

#### Arvind Bansal

Chief Financial Officer

#### Arun Kumar

Company Secretary



## HI-TECH PIPES LTD.

CIN: L27202DL1985PLC019750

**Registered office:** 505, PEARLS OMAXE TOWER, NETAJI SUBHASH PLACE,  
PITAMPURA, NEW DELHI-110034

www.hitechpipes.in | info@hitechpipes.in | +91-11-48440050

## NOTICE OF 38<sup>TH</sup> ANNUAL GENERAL MEETING

**Notice** is hereby given that the **Thirty Eighth** Annual General Meeting of the Members of Hi-Tech Pipes Limited will be held on Wednesday, 28th September, 2022 at 11:30 A.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") without the physical presence of members at a common venue, to transact the following businesses:

### ORDINARY BUSINESS:

#### 1. Annual Audited Financial Statements and Reports thereon

To receive, consider and adopt:

- a. The Audited Standalone Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the report(s) of the Board of Director's and the Auditor's thereon; and
- b. The Audited Consolidated Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the Auditor's Report thereon; and

#### 2. Declaration of Dividend

The Board of Directors has recommended a dividend of Rs. 0.50 (5%) per equity share.

#### 3. Appointment of Director in place of the director retiring by rotation

To appoint Mr. Ajay Kumar Bansal, who liable to retires by rotation and being eligible, offers himself for re-appointment as a Director.

**"RESOLVED THAT** pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the rules thereunder (Including any statutory modification(s) or reenactment thereof for the time being in force), Mr. Ajay Kumar Bansal (DIN: 01070123), Director, who liable to retires by rotation at the 38<sup>th</sup> Annual General Meeting, be and is hereby reappointed as

Director of the Company.

#### 4. Re-appointment of Statutory Auditor of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time or applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), **M/s A.N. Garg & Co., Chartered Accountants**, Delhi (Firm Registrations No. 004616N), be and is hereby re-appointed as the Statutory Auditor of the Company for the second term, to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of Forty-Third (43rd) Annual General Meeting of the Company to be held in 2027, at such remuneration, taxes and out of pocket expenses as recommended by the audit committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors'.

**RESOLVED FURTHER THAT** the board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any committee(s) constituted or to be constituted by the board of exercise the powers conferred on the board by this Resolution) be and is hereby authorized to take such steps and do and perform all such acts, deeds, matters and things, as may be considered necessary, proper to expedient to give effect to this resolution."

**SPECIAL BUSINESS:**

**5. Ratification of Remuneration payable to Cost Auditor:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the company hereby ratifies the remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus taxes, as may be applicable, payable to **M/s S. Shekhar & Co. the Cost Accountants** (FRN: 000452) Who have been appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23.

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

**6. Re-appointment of Mr. Ajay Kumar Bansal (DIN: 01070123) as Managing Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and as per the provision of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on recommendation of Nomination & Remuneration Committee and approval of Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint **Mr. Ajay Kumar Bansal (DIN: 01070123)** as **Managing**

**Director** of the Company, for a period of Five (5) years commencing from 01<sup>st</sup> October, 2022 to 30<sup>th</sup> September, 2027 upon the principal terms and conditions as set-out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of the profits in any financial year during the tenure of his re-appointment).

**RESOLVED FURTHER THAT** the Board may, from time to time, alter, vary or modify the enclosed terms and conditions of the said re-appointment including remuneration as it thinks fit during the tenure of re-appointment, provided however that such variation is within the limits/provisions laid down under the Companies Act, 2013 and SEBI Listing Regulations.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**7. Re-appointment of Mr. Anish Bansal (DIN: 00670250) as Whole Time Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and as per the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on recommendation of Nomination & Remuneration Committee and approval of Board of Directors, the consent of the members of the Company be and is hereby accorded for the re-appointment of **Mr. Anish Bansal (DIN: 00670250)** as the **Whole Time Director** of the Company for a period of Five (5) years commencing from 01<sup>st</sup> October, 2022 to 30<sup>th</sup> September, 2027 upon the principal terms

and conditions as set-out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment).

**RESOLVED FURTHER THAT** the Board may, from time to time, alter, vary or modify the enclosed terms and conditions of the said re-appointment including remuneration as it thinks fit during the tenure of re-appointment, provided however that

such variation is within the limits/provisions laid down under the Companies Act, 2013 and SEBI Listing Regulations.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**For and on behalf of the Board**  
For **Hi-Tech Pipes Limited**

Place: New Delhi  
Date: 10<sup>th</sup> August, 2022

**REGISTERED OFFICE:**  
505, Pearls Omaxe Tower, Netaji Subhash Place, New Delhi-110034

**Ajay Kumar Bansal**  
(Managing Director)  
DIN: 01070123

## NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to Special Business as set out under Item No. 5 to 7 of the notice is annexed hereto. The details required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard-2 in respect of the directors retiring by rotation, seeking re-appointment at this Annual General Meeting (AGM) is also forming part of the Explanatory Statement.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide General Circular No. 2/2022 dated 5th May, 2022 read with General circular No. 02/2021 dated January 13, 2021, General circular No. 20/2020 dated May 5, 2020 read with General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 14/2020 dated April 8, 2020, and Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/202262 dated May 13, 2022 read with circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and (Collectively Called as "Applicable Circulars") has permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. Therefore, In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the AGM of the Company is being held through VC / OAVM at the registered Office of the Company which shall be deemed to be the venue of the AGM.
3. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM. The Board of Directors of the Company ('the Board') has engaged the services of NSDL for this purpose. The Board of Directors has appointed M/s NSP & Associates, Practicing Company Secretaries as the Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner.
4. **PURSUANT TO THE RELEVANT MCA CIRCULARS, THE FACILITY FOR MEMBERS TO APPOINT PROXY TO ATTEND AND CAST VOTE IS NOT AVAILABLE FOR THIS AGM SINCE PHYSICAL PRESENCE AT A COMMON VENUE IS NOT REQUIRED. HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to the scrutinizer at [info@corpsmith.org](mailto:info@corpsmith.org) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [cs@hitechpipes.in](mailto:cs@hitechpipes.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.
6. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **21<sup>st</sup> September, 2022 (Cut-off Date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only. However in case of Joint Holders attending the meeting, the Members whose name appears as the first holder in the order of names will be entitled to vote at the AGM through e-voting.
7. As per the MCA Circular up to 1000 members will be able to join the e-AGM on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
8. Remote e-voting will commence from 9:00 A.M. on 25th September, 2022 and end at 5:00 P.M. on 27th September, 2022 after which remote e-voting will be blocked by NSDL.

9. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and thereafter not later than 48 hours of conclusion of the meeting and after scrutinizing such votes received shall submit a Scrutinizer's Report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting to the Chairman of the Company.
10. The Results of Remote E-voting & E-voting along with Scrutinizer's report shall be communicated to the Stock Exchange(s) and also be uploaded on the Website of the Company. The Resolutions shall be deemed to be passed, if approved, on the date of Annual General Meeting.
11. The members are requested to update any change in KYC, Residential details, PAN, E-mail ID, Mobile No., Bank Account Details, Specimen Signatures and Nomination etc. with their Depository Participants for hassle free receipt of Dividend and communication(s) made by the Company.

## 12. Book Closure and Dividend:

- i) The Board of Directors in their meeting held on May 14, 2022, have recommended Rs. 0.50/- per share on Equity shares of Face Value of Rs.10/- each as the Final dividend for financial year ended on 31 March, 2022 to shareholders of the company. The Dividend, if declared, will be credited/ dispatched within 30 days of the conclusion of the AGM.
- ii) The Register of Members and Share Transfer Books of the Company will remain closed from **22<sup>nd</sup> September, 2022 to 28<sup>th</sup> September, 2022 (Both days inclusive)** for the purpose of Annual General Meeting. The company has fixed **Wednesday September 21, 2022** as record date for the purpose to determine the shareholders who are entitled for Dividend.
- iii) Members may please note that their bank account details as furnished by the respective Depositories will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / addition / deletion in such bank details. Accordingly, the Members

holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend payable on shares held in electronic form.

- iv) In respect of Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrant / Bankers' cheque / demand draft to such Members, as soon as possible.
- v) Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agents:
  - (a) Change in their local address in India for correspondence and e-mail ID for sending all e-communications.
  - (b) Change in their residential status on return to India for permanent settlement.
  - (c) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No. and address of the bank, if not furnished earlier, to enable Company to remit dividend to the said Bank Account directly.

## 13. TDS on Dividend

Members may note that the Income Tax Act, 1961 ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of Members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents mentioned herein.

**For resident shareholders**, taxes shall be deducted at source under Section 194/206AA of the IT Act, as follows:

Shareholders having valid PAN	10% or as notified by the Government of India
Shareholders not having PAN / invalid PAN	20% or as notified by the Government of India

No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during financial year 2022-2023 does not exceed Rs.5,000 (including the future dividends, if any, which may be declared by the board in FY 2022-23) and also in cases where Members provide Form 15G (applicable to an individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) / Form 15H (applicable to an Individual's age of 60 years or more with no tax liability on total income) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / NIL withholding tax. PAN is mandatory for shareholders providing Form 15G / 15H or any other document as mentioned above.

**For non-resident shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, Non-Resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, Non-Resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Income Tax authorities duly attested by the Member.
- Copy of Tax Residency Certificate (TRC)
- Self-declaration in Form 10F.
- Self-declaration by the Member of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the Non-Resident shareholder
- Any other documents as prescribed under

the IT Act for lower withholding of taxes if applicable, duly attested by the Member.

In case of Foreign Institutional Investors/ Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable to surcharge and cess).

The aforementioned documents are required to be sent to the [cs@hitechpipes.in](mailto:cs@hitechpipes.in)

**In case the exemption forms are not received on or before September 19, 2020, tax will be deducted on the dividend amount, wherever applicable and no refund will be entertained by the Company**

#### **14. Transfer of Unclaimed/Unpaid Dividend to Investor Education Protection Fund (IEPF):**

Pursuant to Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, shall be transferred to the IEPF established by the Central Government. No claim shall be entertained against the Company for the amounts so transferred.

The Company has uploaded the details of the unclaimed dividends in respect of the previous financial years as on 31st March, 2021 after the 37th AGM held on 29th September, 2021 on the website of the IEPF - [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company - [www.hitechpipes.in](http://www.hitechpipes.in), under 'Investor' Section'. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Bigshare Services Private Limited, Registrar & Share Transfer Agent. Members are requested to note that dividends not claimed within seven years from the date of transfer to the company's Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013 shall be transferred to the Investor Education Protection Fund.

15. As on the date of this Notice, the entire shares of the Company is in Dematerialized Form.
16. In compliance with the aforesaid MCA Circulars and



SEBI Circular dated May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for the period 2021-22 will also be available on the Company's website [www.hitechpipes.in](http://www.hitechpipes.in) and website of the Stock Exchanges i.e. National Stock Exchange of India [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com)

17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

18. The registers of Directors and Key Managerial Personal and their shareholding maintain under section 170 of the Act, and the relevant documents referred in this notice will be available electronically for inspection by the members during the AGM. All documents referred in the accompanying Notice and the Statement can be obtained for inspection by writing to the Company at its e-mail [cs@hitechpipes.in](mailto:cs@hitechpipes.in) till the date of AGM.

19. Instructions for e-voting and joining the AGM are annexed to this notice.

Place: New Delhi  
Date: 10<sup>th</sup> August, 2022

**REGISTERED OFFICE:**

505, Pearls Omaxe Tower, Netaji Subhash Place, New Delhi-110034

**For and on behalf of the Board**  
For **Hi-Tech Pipes Limited**

**Ajay Kumar Bansal**  
(Managing Director)  
DIN: 01070123

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("The Act")**

The following statement sets out all material facts relating to Item No. 5 to 7 mentioned in the accompanying notice.

### **Item No.5**

In terms of the provisions of Section 148 of the Act and the Rules made thereunder, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. The Board of Directors of the Company in their meeting held on 14/05/2022 and based on the recommendation of Audit Committee, approved the appointment of **M/s S. Shekhar & Co., Cost Accountant** at a remuneration of Rs. 50,000 plus applicable taxes, as may be applicable, to conduct the audit of cost records of the Company for the financial year 2022-23.

In term of the provisions of Section 148(3) of the Companies Act, 2013 read with Rules 14 (a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor during the financial year 2022-23 as set out in the resolution for the aforesaid service to be rendered by him.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the aforesaid **Ordinary Resolution**.

### **Item No. 6**

The Members of the company at its 33<sup>rd</sup> Annual General Meeting held on 25<sup>th</sup> September, 2017 had approved the re-appointment of Mr. Ajay Kumar Bansal as Managing Director for a period of 5 Years, i.e. w.e.f. 1<sup>st</sup> October, 2017 to September 30, 2022.

The Board of Directors at the meeting held on August 10, 2022 (based on the recommendations of the Nomination & Remuneration Committee and subject to the approval of the Members in the General Meeting), re-appointed Mr. Ajay Kumar Bansal as the Managing Director of the Company for a period of five (5) years i.e., from October 1, 2022 to September 30, 2027. Further the terms of remuneration in relation to the said re-appointment was recommended by the Nomination & Remuneration Committee and approved by the Board on August 10, 2022, to be effective from October 1, 2022, as provided herein below.

Mr. Ajay Kumar Bansal is graduated from Delhi University and Promoter of Hi-Tech Pipes Limited. He is an Industry stalwart with over 37 years of experience in the steel industry looking after operations of the Company with the support of other experienced personnel on the upper and middle hierarchy. He has

also been nominated as Chairman of the FII (Steel tube Panel) and represented industry at various National & International forums. He Played a key role in the Company's expansion over the years

The principal terms and conditions of re-appointment of Mr. Ajay Kumar Bansal including the terms of remuneration are given below:

- I) **SALARY:** Upto Rs. 1,44,00,000/- (Rupees One Crore Forty Four Lakhs) per annum, with such variation/increase from time to time as the Board/Committee of Directors may decide.
- II) **TENURE OF RE-APPOINTMENT:** The re-appointment of Mr. Ajay Kumar Bansal as the Managing Director is for a period of five (5) years i.e. from October 01, 2022 to September 30, 2027.
- III) **PERQUISITES:** Perquisites shall be allowed in addition to salary restricted to an amount equal to the annual salary.

### **PART-I**

- a) **Medical Reimbursement:** Expenses incurred for Managing Director and their respective family subject to a ceiling of one month's salary in a year or on three months salary over a period of three years.
- b) **Club Fees:** Including entrance and subscription of maximum of two clubs together with the benefit of all expenses incurred towards the business of the Company.
- c) **Leave Travel Concession:** For self and family, once in a year incurred in accordance with rules of the company.

### **PART-II**

- d) **Personal Accident Insurance:** Premium for self and family as per the rules of the Company for self and family as per the rules of the company for life, personal and accidental insurance.
- e) **Contribution to the Provident Fund:** Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- f) **Gratuity:** Payable shall not exceed half a month's salary for each completed year of service, subject to the maximum ceiling limit of exemption under the Income Tax Act applicable at that time.
- g) **Encashment of leave:** At the end of the tenure
- h) **Holiday passage** for children studying outside India/family staying abroad: Return holiday passage once in a year by economy class or

once in two year by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.

- i) **Provision of car:** for use on the Company's business car and telephone at resident will not be considered as perquisite. Personal Long Distance call on telephone and use of car for personal purpose shall be billed by the company to the Managing Director.

#### IV) **MINIMUM REMUNERATION**

In the event of loss or inadequacy of profit in any financial year during the tenure of his appointment, the company will pay the aforesaid remuneration as minimum remuneration to Mr. Ajay Kumar Bansal.

In terms of the provisions of Section 196, 197, 198 read with schedule V and any other applicable provisions, if, any, of the Companies Act, 2013 and rules made there under (including any amendment(s) or modification(s) thereof for the time being in force), (here in after referred as 'Act'), the aforesaid matter requires approval of the members by way of special resolution is being sought for giving effect to the above.

A copy of appointment letter and Draft of the agreement to be entered into between the company and Mr. Ajay Kumar Bansal setting out the terms and conditions of the re-appointment would be available for inspection by the Members by writing an email to the Company at info@hitechpipes.in

The company has immensely benefited during Mr. Ajay Kumar Bansal's tenure as Managing Director. The Board considers that his continued association would be of immense benefit to the Company. The Board is satisfied with the integrity, expertise, and experience of Mr. Ajay Kumar Bansal who is being re-appointed at this AGM and accordingly, the Board recommends the resolution for his re-appointment as set out at Item No. 6 of the accompanying Notice for approval by the Members of the Company as **Special Resolution.**

The remuneration payable to the Mr. Ajay Kumar Bansal is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them.

Except Mr. Ajay Kumar Bansal as appointee Managing Director and Mr. Anish Bansal, being relative of the appointee Director, none of the Directors, KMP(s) and their relative(s) are interested in the proposed business.

#### **Item No. 7**

The Members of the Company at its 33<sup>rd</sup> Annual General Meeting held on 25<sup>th</sup> September, 2017 had approved the re-appointment of Mr. Anish Bansal as Whole Time Director for a period of 5 Years, i.e. w.e.f. 1<sup>st</sup> October, 2017 to September 30, 2022.

The Board of directors at the meeting held on August 10, 2022 (based on the recommendations of the Nomination & Remuneration Committee and subject to the approval of the Members in the General Meeting), re-appointed Mr. Anish Bansal as the Whole Time Director of the Company for a period of five (5) years i.e., from October 1, 2022 to September 30, 2027. Further, the terms of remuneration in relation to the said re-appointment was recommended by the Nomination & Remuneration Committee and approved by the Board on August 10, 2022, to be effective from October 1, 2022, as provided herein below.

Mr. Anish Bansal has over 16 years of experience in Corporate Finance, Strategy, marketing, product development, project implementation, international trade and Finance besides certain other Corporate matters. He is responsible for the Finance function of the Company and works closely in the expansion plans with the Managing Director. He is also Promoter of the Company.

The principal terms and conditions of re-appointment of Mr. Anish Bansal including the terms of remuneration are given below:

- I) **SALARY:** Upto Rs. 1,20,00,000/- (Rupees One Crore Twenty Lakhs) per annum, with such variation/increase from time to time as the Board/Committee of Directors may decide.
- II) **TENURE OF RE-APPOINTMENT:** The re-appointment of Mr. Anish Bansal as the Whole Time Director is for a period of five (5) years i.e. from October 01, 2022 to September 30, 2027.
- III) **PERQUISITES:** Perquisites shall be allowed in addition to salary restricted to an amount equal to the annual salary.

#### **PART-I**

- a) **Medical Reimbursement:** Expenses incurred for Whole Time Director and their respective family subject to a ceiling of one month's salary in a year or on three months salary over a period of three years.
- b) **Club Fees:** Including entrance and subscription of maximum of two clubs together with the benefit of all expenses incurred towards the business of the Company.
- c) **Leave Travel Concession:** For self and family, once in a year incurred in accordance with rules of the company.

## PART-II

- d) **Personal Accident Insurance:** Premium for self and family as per the rules of the Company for self and family as per the rules of the company for life, personal and accidental insurance.
- e) **Contribution to the Provident Fund:** Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- f) **Gratuity:** Payable shall not exceed half a month's salary for each completed year of service, subject to the maximum ceiling limit of exemption under the Income Tax Act applicable at that time.
- g) **Encashment of leave:** At the end of the tenure
- h) **Holiday passage** for children studying outside India/family staying abroad: Return holiday passage once in a year by economy class or once in two year by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.
- i) **Provision of car:** for use on the Company's business car and telephone at resident will not be considered as perquisite. Personal Long Distance call on telephone and use of car for personal purpose shall be billed by the company to the Whole Time Director.

## IV) MINIMUM REMUNERATION

In the event of loss or inadequacy of profit in any financial year during the tenure of his appointment, the company will pay the aforesaid remuneration as minimum remuneration to Mr. Anish Bansal.

In terms of the provisions of Section 196, 197, 198 read with schedule V and any other applicable provisions, if, any, of the Companies Act, 2013 and rules made there under (including any amendment(s) or modification(s) thereof for the time being in force), (here in after referred as 'Act'), the aforesaid matter requires approval of the members by way of special resolution is being sought for giving effect to the above.

A copy of appointment letter and Draft of the agreement to be entered into between the company and Mr. Anish Bansal setting out the

terms and conditions of the re-appointment would be available for inspection by the Members by writing an email to the Company at info@hitechpipes.in

The Board recommends item No. 7 regarding the appointment of Mr. Anish Bansal as Whole Time Director of the Company for your approval.

The remuneration payable to the Mr. Anish Bansal is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them.

Except Mr. Anish Bansal as appointee Whole time Director and Mr. Ajay Kumar Bansal, being relative of the appointee Director, none of the Directors, KMP(s) and their relative(s) are interested in the proposed business.

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

**The remote e-voting period begins on 25<sup>th</sup> September, 2022 at 09:00 A.M. and ends on 27<sup>th</sup> September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 21<sup>st</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2022.**

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

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

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

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

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

4. Your User ID details are given below :

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

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

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

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

Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).

**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).

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.

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**

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 [info@corpsmith.org](mailto:info@corpsmith.org) 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.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to [Mr. Narendra Dev at evoting@nsdl.co.in](mailto:Mr.Narendra.Dev@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:**

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 [info@hitechpipes.in](mailto:info@hitechpipes.in)

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@hitechpipes.in](mailto:info@hitechpipes.in) . If you are an Individual shareholders holding securities in

demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

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.

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL

e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General 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/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 48 Hours prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@hitechpipes.in](mailto:cs@hitechpipes.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 48 Hours prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@hitechpipes.in](mailto:cs@hitechpipes.in). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**For and on behalf of the Board**  
For **Hi-Tech Pipes Limited**

Place: New Delhi  
Date: 10<sup>th</sup> August, 2022

**REGISTERED OFFICE:**  
505, Pearls Omaxe Tower, Netaji Subhash Place, New Delhi-110034

**Ajay Kumar Bansal**  
(Managing Director)  
DIN: 01070123



**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 38<sup>TH</sup> ANNUAL GENERAL MEETING**

<b>Details</b>	<b>Mr. Ajay Kumar Bansal</b>	<b>Mr. Anish Bansal</b>
Date of Birth/Age	28 <sup>th</sup> August, 1957/65	02 <sup>nd</sup> November, 1984/ 37
Directors Identification No.	01070123	00670250
Date of First Appointment	02/01/1985	19/02/2009
Brief Resume / Experience/ Expertise	Mr. Ajay Kumar Bansal is graduated from Delhi University. He is an Industry stalwart with over 37 years of experience in the steel industry, looking after operations of the Company with the support of other experienced personnel on the upper and middle hierarchy. He has also been nominated as Chairman of the FII (Steel tube Panel) and represented industry at various National & International forums. He Played an instrumental role in the Company's growth over the years	Mr. Anish Bansal has over 16 years of experience in Corporate Finance, Strategy, marketing, product development, project implementation, international trade and Finance besides certain other Corporate matters. He is responsible for the Finance function of the Company and works closely in the expansion plans with the Managing Director.
Directorship / Committee Membership:	<p><b>Directorship:</b></p> <ol style="list-style-type: none"> <li>1. AKS BUILDCON PRIVATE LIMITED</li> <li>2. HI-TECH AGROVISION PRIVATE LIMITED</li> <li>3. HTL METAL PRIVATE LIMITED</li> <li>4. HITECH METALEX PRIVATE LIMITED</li> <li>5. HTL ISPAT PRIVATE LIMITED</li> <li>6. HITECH SAW LIMITED</li> <li>7. JVS STEEL AND ENERGY PRIVATE LIMITED</li> <li>8. S.M. INFRAPROMOTERS PRIVATE LIMITED</li> <li>9. RAVI DEVELOPERS PVT LTD</li> </ol> <p><b>Committee Membership:</b></p> <ol style="list-style-type: none"> <li>10. Hi-Tech Pipes Limited: <ol style="list-style-type: none"> <li>a. Nomination &amp; Remuneration Committee</li> <li>b. Stakeholder Relationship Committee</li> </ol> </li> </ol>	<p><b>Directorship:</b></p> <ol style="list-style-type: none"> <li>1. AKS BUILDCON PRIVATE LIMITED</li> <li>2. HI-TECH AGROVISION PRIVATE LIMITED</li> <li>3. HTL METAL PRIVATE LIMITED</li> <li>4. HITECH METALEX PRIVATE LIMITED</li> </ol> <p><b>Committee Membership:</b></p> <p>Hi-Tech Pipes Limited: Audit Committee</p>
Terms & Conditions of Appointment	As per aforesaid resolution	As per aforesaid resolution
Last drawn remuneration	Rs. 8.00 lakh per month	Rs. 5.00 lakh per month
No. of Board Meeting attended:	4/4	4/4
Disclosure of relationships between directors inter-se	Mr. Ajay Kumar Bansal is Father of Mr. Anish Bansal, Whole Time Director of the Company.	Mr. Anish Bansal is son of Mr. Ajay Kumar Bansal, Managing Director of the Company.
Shareholding	17,35,177 Equity Shares	12,16,600 Equity Shares

# HI-TECH PIPES LIMITED

CIN:L27202DL1985PLC019750

505, Pearls Omaxe Tower, Netaji Subash Place, New Delhi 110034  
+91 11 48440050 | info@hitechpipes.in

[www.hitechpipes.in](http://www.hitechpipes.in)