



EXPANDING
HORIZONS.



DRIVING
GROWTH.

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Performance highlights in FY 2022-23



Financial

₹644.46 crore
Revenue

₹82.63 crore
EBITDA

₹46.21 crore
Profit after tax



Operational

5,33,232
Production capacity

46.29%
Increase in capacity utilisation over FY22



Social

48
Average person-hours of training provided to every employee

₹50.39 lakhs
CSR expenditure



EXPANDING HORIZONS. DRIVING GROWTH.

In the dynamic world of iron and steel, India's rise as a leading producer has been fueled by innovation and progress. At Hariom Pipes, we are proactive in seizing growth opportunities and have unfolded a game-changing move that will redefine our industry's landscape. Through an Asset Transfer Agreement, we acquired R P Metal Sections Private Limited's operating assets in Perundurai, Tamilnadu, specialising in Galvanised Pipe and Cold Roll coil manufacturing.

13.83 acres

Of land acquired from RP Metals Section Private Limited

₹55 crore

Cash deal for the plant

This strategic acquisition was our commitment to growth and progress. We aim to expand our product range by introducing more value-added offerings through enhanced capacity that will cater to diverse customer needs. As a highly backward integrated steel pipe mill company, we have already made our mark in the industry with sponge iron, billets, HR strips, and pipes. Now, with this latest expansion, we aim to soar higher and stand out as a true pioneer in our field, setting new industry standards.

We have set the stage for a promising future and are confident that our expansion efforts will bear fruit, with visible benefits emerging from FY'23-24 onwards, leading the way towards a horizon of endless growth and prosperity.

About Us

EMPOWERING PROGRESS TO GROW EXPONENTIALLY

We have established ourselves as a premium manufacturer of iron and steel products. We have transformed ourselves into an integrated steel manufacturer mainly catering to the South Indian market. With a diverse product portfolio and an expanding market reach, we are poised to continue growing and enhancing value for all our stakeholders.

As we continue to become a prominent market player in the industry, we are planning to expand our geographical presence through increasing our product diversity and targeting markets with high growth potential.





Our Vision

To be one of the top-notch iron and steel suppliers in our segment, catering to industry needs

Our Mission

To develop our nation and make it a better place to live by building a robust economy coupled with strong infrastructure

Successfully listed on National Stock Exchange and Bombay Stock Exchange

15 years

Rich industry experience

5,33,232 MT

Total manufacturing capacity

1,04,232 MTPA

Induction furnace capacity

1,24,000 MT

Rolling mill capacity

84,000 MT

Piping mill capacity

5,000 MT

Scaffolding capacity

1,80,000 MT

GP/CR mill capacity

655+

Retailers distribution network

36,000 MT

Sponge iron capacity

Business Segments

DRIVING GROWTH THROUGH DIVERSE OFFERINGS

Our offerings



Sponge Iron

Our steel production process involves using a combination of steel-melting scrap and high-quality sponge iron in a 30/70 ratio. Recently, we ventured into sponge iron manufacturing, leveraging our newly acquired unit.

Key applications and downstream industry

Self-consumption and raw materials for others.

Key differentiator

Backward integration, quality control, and surplus monetisation for others.



MS Billets

As a crucial input for the rolling mill, we specialise in producing top-grade MS billets. These billets play a key role in the production of high-quality HR strips, catering to manufacturers of superior steel products and rolling mills.

Key applications and downstream industry

Rolling TMT Re-Bars (Fe500 & Fe550) and diverse structural steel products: round bar, flat bar, angles, channels, and girders.

Key differentiator

Premium quality products with customisable dimensions to meet specific requirements.

Our path to success is rooted in catering to the distinct needs of our clients. With our commitment to top-notch quality, we have emerged as a prominent force nationwide. As we continue our journey, our focus remains on driving progress by continuously expanding our range of offerings.



HR Strips

Our HR strips are manufactured using the latest technology, where MS billets undergo the HR operation in the rolling mill. The result is best-in-class HR strips known for their durability and exceptional quality.

Key applications and downstream industry

Simple bends, complex draws, and structural applications in various industrial setups.

Key differentiator

Technology-driven premium quality products in diverse shapes and sizes.



MS Tubes & Pipes

Utilising strips of Hot-Rolled (HR) steel, we employ advanced forming rolls to create an array of superior-quality pipes and tubes. Our product range includes round, square, rectangular, D-shaped pipes, as well as railing pipes.

Key applications and downstream industry

Versatile applications in residential and commercial sectors across various industries.

Key differentiator

Diverse diameter and thickness options to cater to a wide audience.



Scaffolding

We offer custom-made scaffolding solutions to elevate and support workers and materials during construction, repair, or maintenance activities. Our scaffolding products are designed to meet the unique requirements of our valued customers.

With a focus on both horizontal and vertical growth, we continuously enhance our product portfolio to provide the best possible value to our consumers.

Key applications and downstream industry

Construction industry

Key differentiator

Tailored premium quality products to meet client-specific requirements.

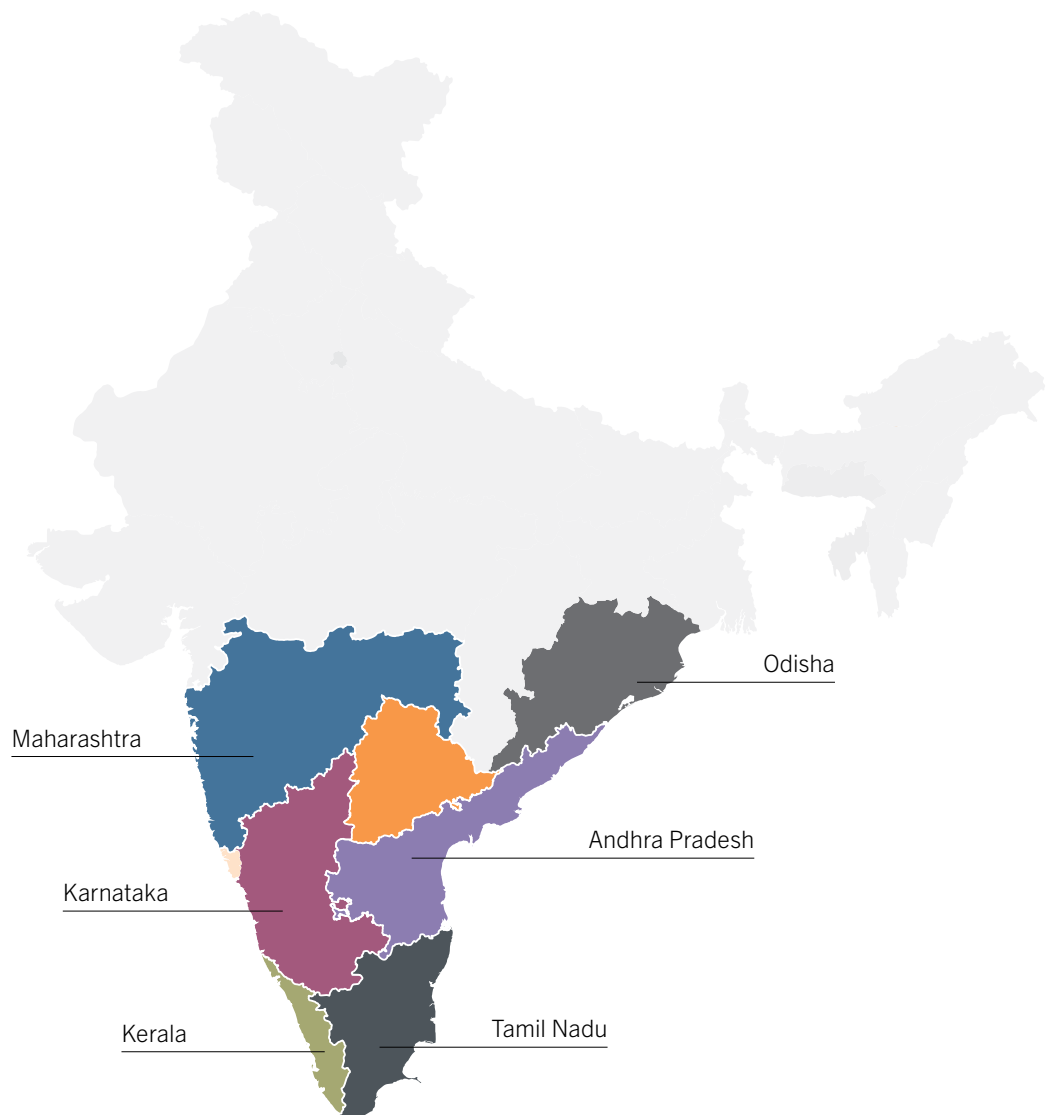
Geographical Presence

SOUTHERN AND WESTERN DOMINANCE, EASTERN ASCENT

Building on our strong foundation in Southern India and Maharashtra, we are poised to extend our footprint and reach to new territories. Seizing the potential in the organised sector nationwide, our focus will now encompass other regions of Western India, Eastern India and Union territories.

1500+
Point of Sales

650+
Dealers



State-wise dealer network

State	District coverage	Dealers
Telangana	33	230+
Andhra Pradesh	26	140+
Karnataka	26	165+
Tamil Nadu	32	60+
Kerala	14	30+
Others	-	20+

State wise growth in touchpoints

State	FY23	FY22
Maharashtra	37	36
Telangana	592	577
Andhra Pradesh	280	273
Karnataka	430	419
Tamil Nadu	125	122
Others	43	42

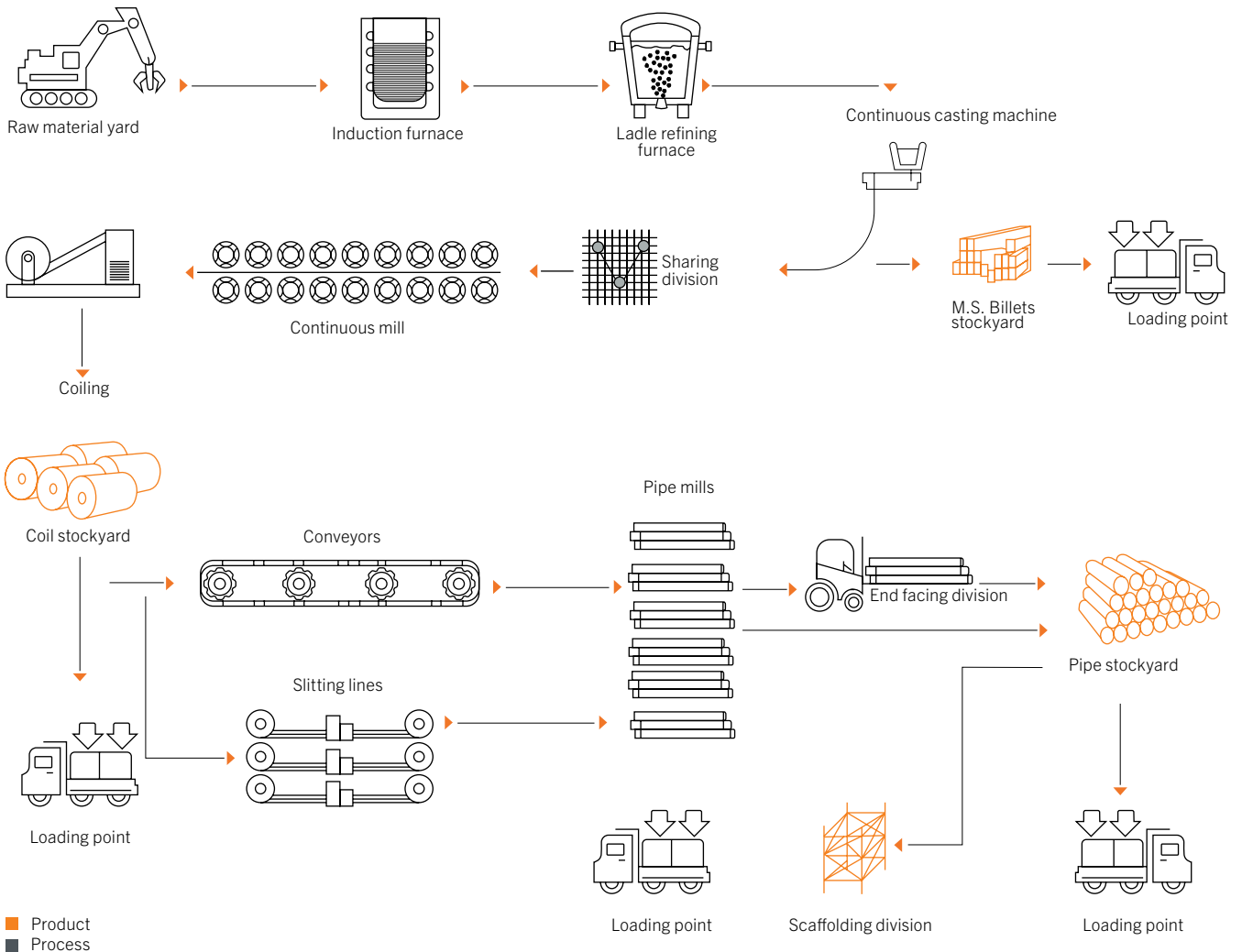
Our manufacturing units

Details manufacturing units	Particulars	2021	2022	2023
Unit I - Mahabubnagar				
Induction Furnace	Installed Capacity	95,832	95,832	1,04,232
	Capacity Utilised	44,788	74,039	86,078
	Utilised Capacity (In %)	46.74	77.26	82.58
Rolling Mill	Installed Capacity	84,000	84,000	1,24,000
	Capacity Utilised	43,546	67,185	76,069
	Utilised Capacity (In %)	51.84	79.98	61.35
Piping Mill	Installed Capacity	84,000	84,000	84,000
	Capacity Utilised	29,303	43,512	68,967
	Utilised Capacity (In %)	34.88	51.80	82.10
Scaffolding	Installed Capacity	1,000	1,000	5,000
	Capacity Utilised	282	928	3,371
	Utilised Capacity (In %)	28.20	92.80	67.42
Unit II – Anantapur				
Sponge Iron	Installed Capacity	36,000	36,000	36,000
	Capacity Utilised	22,578	30,235	31,345
	Utilised Capacity (In %)	62.72	83.99	87.07%
Unit III – Perundurai				
	Installed Capacity	NA	NA	1,80,000
	Capacity Utilised	NA	NA	50,005
	Utilised Capacity (In %)	NA	NA	27.78

Manufacturing Excellence

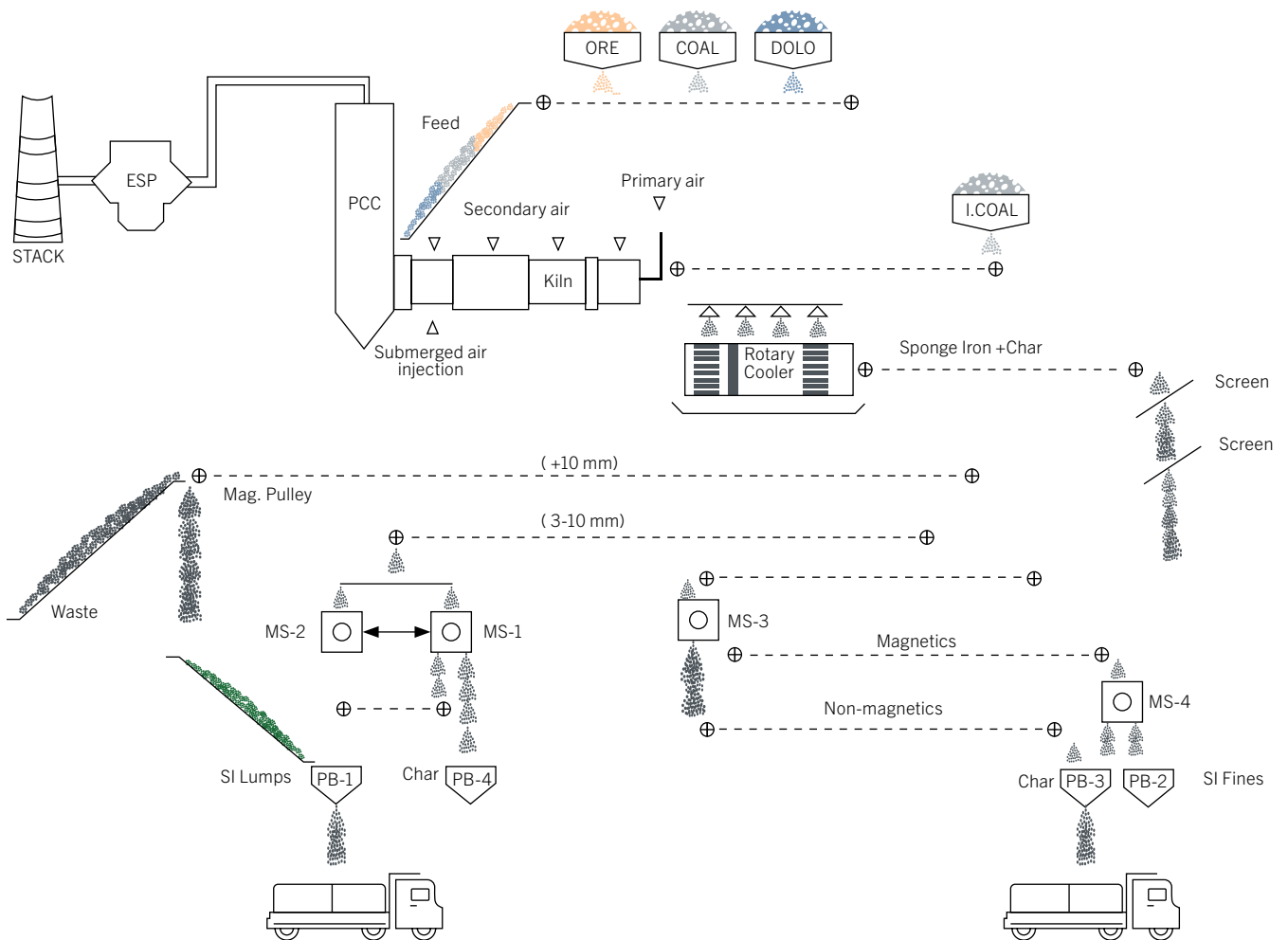
SEAMLESS INTEGRATED PROCESSES FOR SUSTAINABLE GROWTH

Unit - I





Unit - II



Unit - III

Hot Dip galvanising line

Cleaning process

The strip is dipped in an alkali bath and brushed for preliminary de-greasing and then undergoes alkaline electrolytic de-greasing. This removes impurities on the material surface that could harm the zinc coating. The strip is then dipped in acidic bath to activate the surface.

Pre treatment process

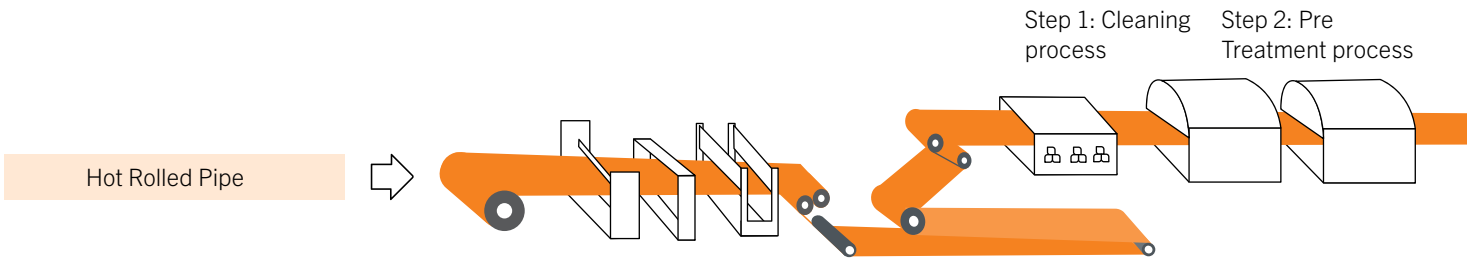
The Pipe is Pre Heated so that the water over the surface is evaporated. Subsequently the Pre heated pipe get zinc coating appropriately.

Galvanising process

The cleaned strip enters the coating tank, where plating is carried out under strict bath control.

Blowing process

In this Process a jet of High Pressure air is blown inside the pipe so that the excess zinc will blown out.



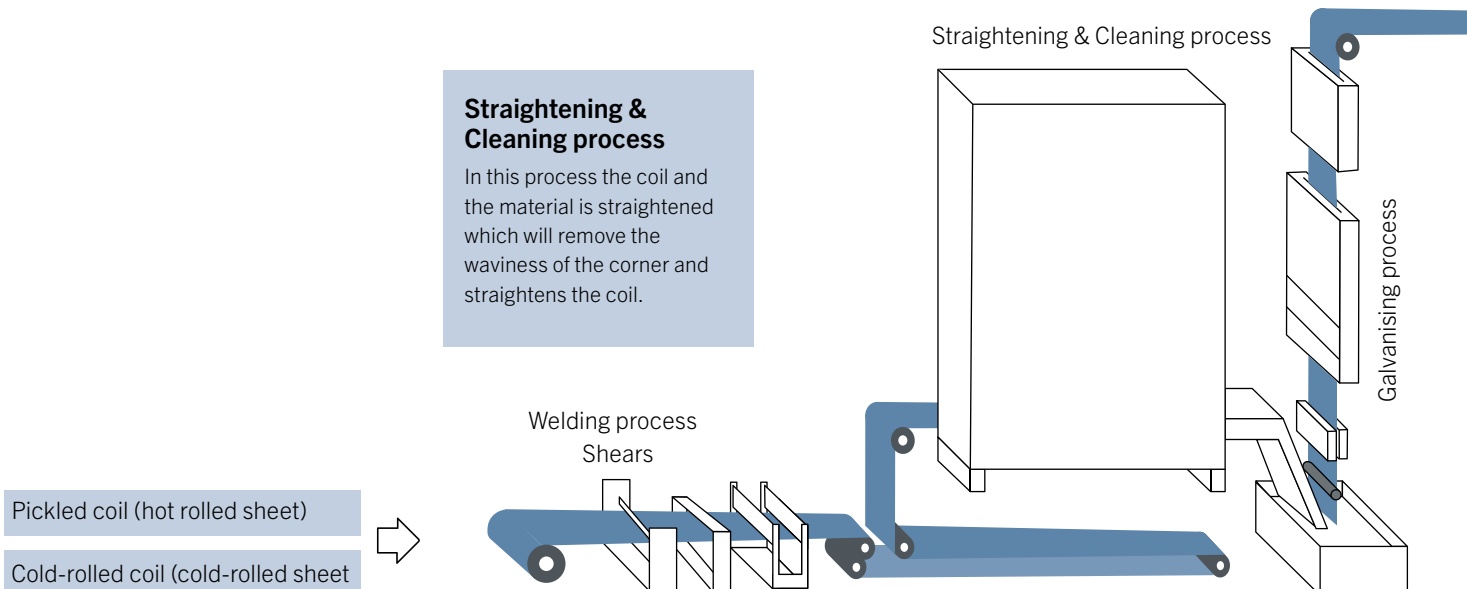
Continuous galvanising line

Welding process

The end of a stool sheet (either hot or cold-rolled) is shoarod and welded to the preceding coil to form one continuous coil.

Galvanising process

After annealing, the strip remains in a reduction atmosphere and is dipped directly into a bath of molted zinc. The amount of zinc coating is controlled by means of the gas wiping method. Depending on the intended application, alloying treatment may be applied to the strip.



Chemical treating process

The zinc coated strip is given various chemical treatments according to intended use, including phosphate treatment for excellent printability, and chromate-free special treatment for good corrosion resistance.

Threading

In this process, threading is done at the corner of the pipe so that the fitting can be received by the end user.

Pipe marking process

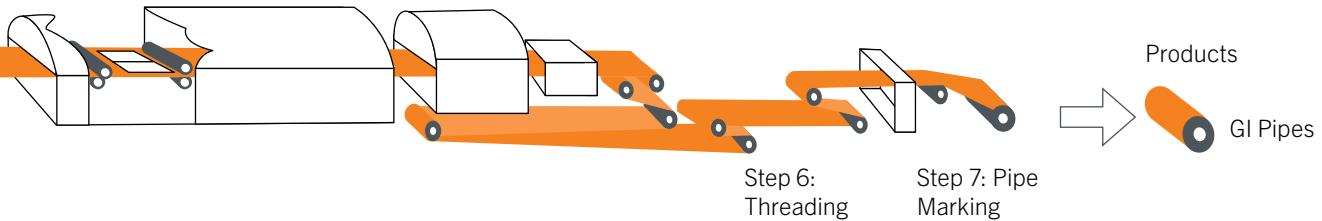
In this Process the outer surface of the pipe ring is marked with colour which explains the Class of the Pipe.



Step 3: Galvanising process

Step 4: Blowing process

Step 5: Chemical treating process

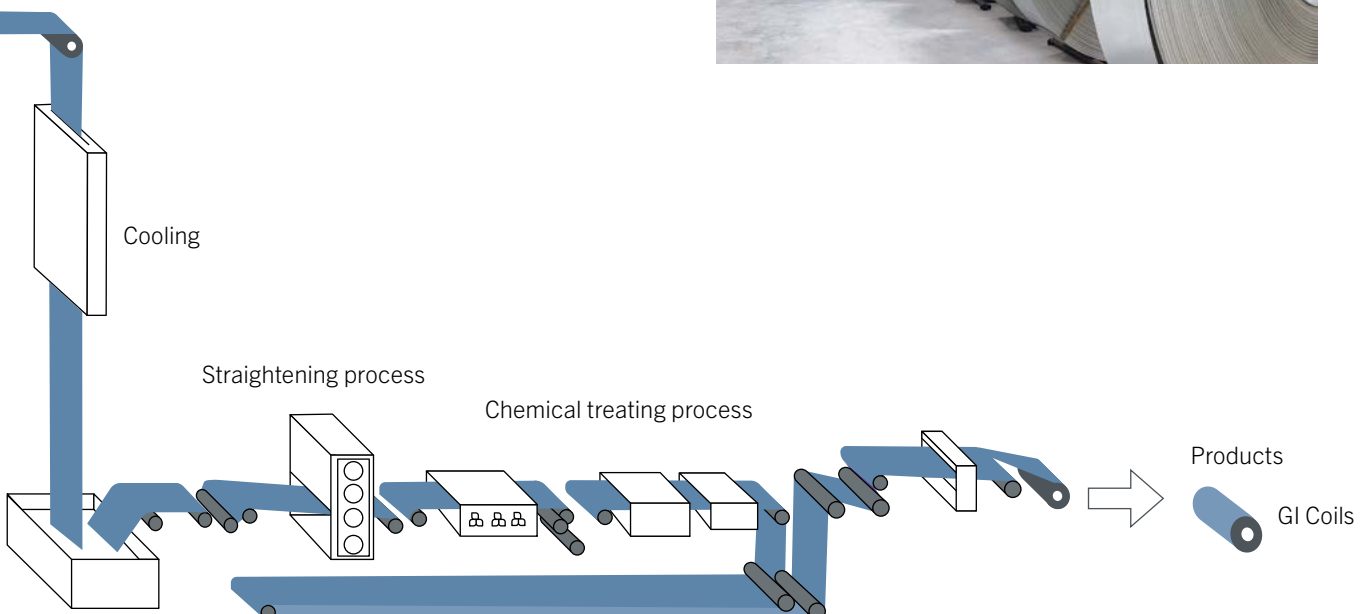


Straightening process

Through the combined use of a high-performance tension leveler and skin pass mill a product with excellent flatness and a smooth attractive surface finish are obtained.

Chemical treating process

A chromate-free special treatment is then applied to the zinc-coated strip in accordance with the intended use.



Our Strengths

OUR KEY TO SUCCESS



Seasoned and skilled leadership

Our experienced and qualified team, under the expert guidance of our senior management, has laid the foundation for a robust legacy. With unparalleled enthusiasm, our promoters and senior management have led us through diverse growth stages. Their enduring presence has fostered a deep understanding of our business strategies, resulting in an exceptionally efficient operating model.



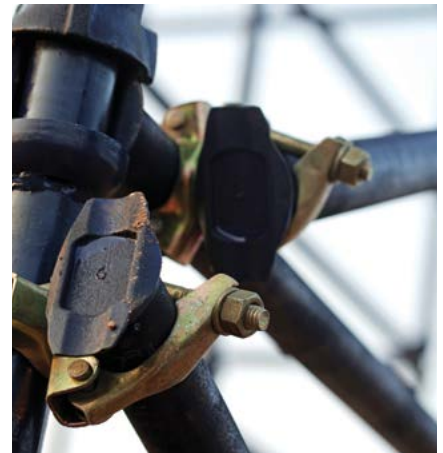
Sustainable manufacturing approach

At Hariom Pipes, we prioritise environmental responsibility through our eco-friendly manufacturing process. With the implementation of hot charging production technique, we significantly reduce coal and electricity consumption. Our seamlessly-synchronised operations ensure a smooth transition between manufacturing processes, optimising efficiency.

Moreover, we are committed to minimising emissions by equipping our chimneys with pollution control devices. These devices efficiently capture dust particles, which are then stored in filter bags for proper disposal, further enhancing our eco-friendly practices.

KPIs

- 28.65% reduction in energy consumption YoY



Seamless integration for efficiency

We have established an integrated approach that covers the entire manufacturing process, starting from iron ore and culminating in the production of MS Pipes and Scaffolding. This integration allows us to control the various phases of production and ensures efficiency in terms of both cost and time.

Our flexibility in adjusting the product mix based on market demand and supply dynamics is a strategic advantage. This enables us to remain responsive to the changing needs of our clients and the broader market, ultimately contributing to customer satisfaction and business growth.

KPIs

- MS Billets 1,04,232 MT capacity
- HR Strips 1,24,000 MT capacity
- MS Tubes 84,000 MT capacity
- Scaffolding 5,000 MT capacity
- GP Pipe/Coil 1,80,000 MT capacity
- Sponge iron 36,000 MT Capacity



Competitive pricing through backward integration

At Hariom Pipes, our products enjoy a pricing advantage due to our backward integration strategy. This approach enables us to effectively compete with other players in the industry. Unlike our competitors, we possess the manufacturing flexibility to customise the thickness, length, and quality of our products. In contrast, they are limited to producing and marketing goods based on conventional industry sizes or measurements. This distinct advantage allows us to offer tailored solutions that meet the specific needs of our customers, setting us apart in the market.

KPIs

- 40.55% increase in EBITDA margin YoY



Cost advantage in streamlined production

At Hariom Pipes, we have strategically developed a production process that grants us a significant cost advantage over other companies in the sector. By meticulously coordinating our operations, each step flows seamlessly into the next, minimising downtime and optimising efficiency.

Our Unit I serve as a comprehensive manufacturing hub, producing the entire spectrum of our products, from MS Billets to Mild Steel (MS) Pipes and Scaffolding. This centralised approach further enhances cost savings as we leverage economies of scale and capitalise on production synergies.

Through our innovative and streamlined procedures, we have succeeded in reducing expenses, enabling us to offer competitive prices in the market, ultimately setting us apart as a leader in the industry.

KPIs

- 7.96 Inventory Turnover Ratio



Strategic location for operational advantages

Our manufacturing units, Unit I & III, situated near Jadcherla in Mahabubnagar District, benefits from easy access to raw materials, power, water, and skilled labor. Unit II, located in Anantapur District near Bellary, provides logistical advantages for serving southern markets efficiently. Unit IV, our recent addition is located at SIPCOT Industrial growth centre, Perundurai, Tamilnadu. These strategic locations enhance our competitiveness and enable us to deliver high-quality products to diverse regions.

KPIs

- Easy access to raw materials
- Close proximity to key markets

MD's Perspective

PIONEERING GROWTH AND INNOVATION IN A DYNAMIC LANDSCAPE

With great joy, I extend my warm greetings and present to you the annual report of your esteemed company for this year. Throughout the year, we have expanded our horizons to drive growth pursued our vision of sustainable growth, and the results have been truly rewarding, generating significant value for all our stakeholders.

Dear shareholders,

In the ever-evolving landscape of the steel industry, I am proud to present the strides we have taken at Hariom Pipes in the pursuit of growth and excellence. Our journey, rooted in the fundamental principles of innovation, resilience, and customer-centricity, has been defined by our dedication to providing products of the highest quality and value.

Navigating the steel industry terrain

Our operations find a place in the steel industry, which shapes modern economies with its wide array of applications, from rails and bridges to automobiles and girders. It is a sector that has transformed over time, driven by the need for stronger and more efficient metals. The journey has had its share of challenges, but we have harnessed the power of innovation to overcome them. We have honed our focus on seamless steel pipes, recognising their potential in the oil

and gas sector where they serve crucial functions at greater depths, enduring high temperatures and pressures.

Overcoming industry challenges

The challenges of our industry have only spurred us to greater heights. The harsh environment and potential asset failures have led us to innovate, adopting emerging technologies to ensure safer and more efficient operations. We have built intelligent predictive models for process monitoring, enabling us to anticipate and address issues before they escalate, thereby optimising maintenance and minimising downtime.

Strong performance amidst uncertainties

I am delighted to share that in a year marked by economic uncertainties like inflation and supply chain disruptions caused majorly by Russia Ukraine war, we have upheld our impressive financial performance. Our revenue surged by 49% from ₹433.28 crores to ₹644.46 crores. Concurrently, our EBITDA demonstrated growth, rising by 44% from ₹58.83 to ₹82.63 crores.

Our integrated operations, spanning from Sponge Iron to finished products, empower us to adapt and maintain cost-effectiveness.

This year, we achieved a significant milestone in our journey of excellence. We launched our IPO, issuing 85,00,000 Equity Shares from March 30 to April 5, 2022. Allocating shares at ₹153/- each on April 8, we secured listing approvals from BSE and NSE on April 12. Trading commenced on April 13, driving our share price to ₹478.65/- by March 31, 2023.



Adding to the year of milestone, we also achieved the Asset Transfer Agreement with R.P. Metal Sections Private Limited, which materialised on December 26, 2022. This transformative step enabled the acquisition of an operating Asset, expanding our capabilities to manufacture Galvanised Pipes and Cold Roll Coils. Spanning an extensive 13.83 acres in the SIPCOT Industrial growth centre, Perundurai, Tamil Nadu, this strategic move amplifies our capacity and geographical reach. With an all-cash consideration of ₹55 crores, this venture has fortified our operational portfolio, promising exciting avenues for growth and innovation.

Furthermore, we are thrilled to announce the successful completion of our 15-ton electric melting furnace setup. With commercial production commencing on November 25, 2022, this achievement augments our MS Billets production from 95,832 MTPA to an impressive 1,04,232 MTPA. This expansion reinforces our commitment to delivering top-tier products and services while seamlessly catering to the dynamic market demands.

ESG approach

We have ingrained sustainability into our fundamental strategic pillars, placing a strong emphasis on enhancing our commitment to Environment, Social, and Governance (ESG) principles. Guided by

our accomplished Board of Directors, we are steadfastly pursuing industry benchmark standards. Our established targets stand as a testament to our enduring dedication to sustainability. Amidst the new normal, our resolute focus on ESG and sustainability remains persistent.

Given our ambitious aspirations, the support of seasoned professionals is paramount in realising our objectives. Our efforts are diligently directed at attracting top-tier talent and augmenting our management capabilities. Employee safety and well-being hold utmost importance, and I take immense pride in sharing that our concerted efforts yielded zero fatalities during the reviewed year.

Way forward

As a responsible organisation, we continually strive to enhance overall prosperity. We channel significant attention towards environment and community-driven initiatives, aligned with our core belief: a business's true success lies in its transformative impact on the community. This remains a cornerstone as we journey forward.

On behalf of the Board of Directors, I extend gratitude to every stakeholder for their support during our transition to a public company. Upholding the highest standards of ethics and transparency, we embark on a growth trajectory that will undoubtedly be a source of pride.

Best Regards,

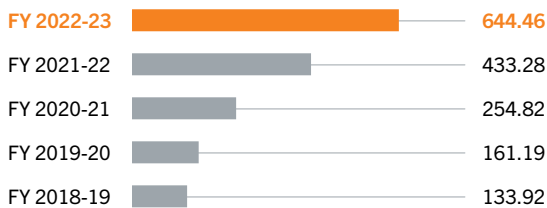
Rupesh Kumar Gupta
Managing Director

Key Performance Indicators

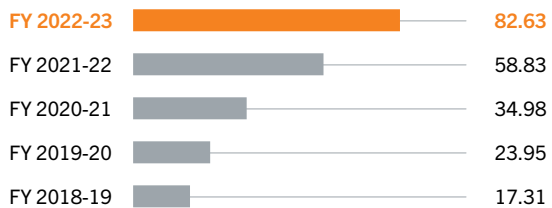
A YEAR DEFINED BY STRONG PERFORMANCE

Financial performance

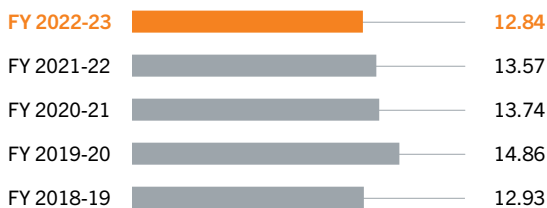
Revenue (₹ in crores)



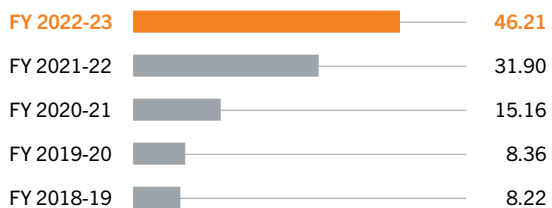
EBITDA (₹ in crores)



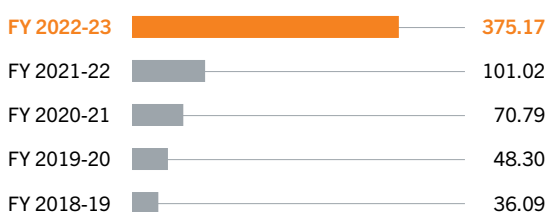
EBITDA Margin (%)



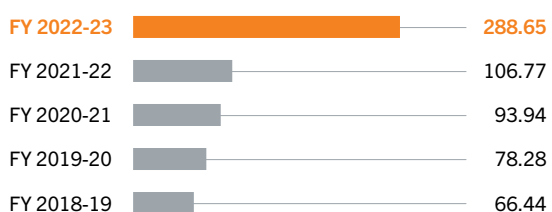
Profit after tax (₹ in crores)



Net worth (₹ in crores)



Gross block (₹ in crores)



Key ratios

Debt-equity ratio (%)

FY 2022-23	0.79
FY 2021-22	0.87
FY 2020-21	1.13
FY 2019-20	1.41
FY 2018-19	1.55

Interest coverage ratio (%)

FY 2022-23	7.96
FY 2021-22	5.89
FY 2020-21	3.85
FY 2019-20	2.77
FY 2018-19	3.87

Operational indicators

Induction furnace production (Metrics tonnes)

FY 2022-23	86,078
FY 2021-22	74,039
FY 2020-21	44,788
FY 2019-20	46,276
FY 2018-19	31,000

Rolling mill production (Metrics tonnes)

FY 2022-23	76,069
FY 2021-22	67,185
FY 2020-21	43,546
FY 2019-20	34,280
FY 2018-19	20,771

Pipe mill production (Metrics tonnes)

FY 2022-23	68,967
FY 2021-22	43,512
FY 2020-21	29,303
FY 2019-20	24,183
FY 2018-19	18,282

Scaffolding mill production (Metrics tonnes)

FY 2022-23	3,371
FY 2021-22	928
FY 2020-21	282
FY 2019-20	980
FY 2018-19	655

Sponge production (Metrics tonnes)

FY 2022-23	31,345
FY 2021-22	30,235
FY 2020-21	22,578
FY 2019-20	0
FY 2018-19	0

GP Perundurai production (Metrics tonnes)

FY 2022-23	50,005
FY 2021-22	-
FY 2020-21	-
FY 2019-20	-
FY 2018-19	-

Strategic Priorities

BRINGING PLANS TO LIFE



Innovating excellence

We are consistently upgrading our manufacturing facilities, optimising resource utilisation, and upskilling our workers. By integrating cutting-edge technologies and embracing innovation, we strive for more efficient and higher-quality processes. Our chemists and engineers play a vital role in finding innovative solutions. Committed to excellence, we aim to surpass boundaries, deliver top-notch products, and ensure lasting success.



Increasing our operational efficiency

Over the years, we have consistently strived for operational excellence, achieving remarkable outputs through continuous initiatives in process improvement, customer service, quality, and technology development. Moving forward, we remain committed to further enhance our process efficiencies, ensuring a strong focus on delivering top-notch performance in all aspects of our operations.



Enhancing our manufacturing capacity

To meet growing demands and become an end-to-end cost-effective manufacturer, we focused on expanding our manufacturing capacity. We have achieved this through several key initiatives, including the completion of a 15-ton electric melting furnace, resulting in reduced electricity costs for our furnace and rolling mill operations. Furthermore, the installation of two new Mild Steel Pipe Mills has commenced commercial production, enabling us to tap into new market opportunities. Additionally, the establishment of a continuous Galvanised Line and Cold Rolled Mill enhances our capacity, with commercial production set to begin shortly.



Value creation

Our commitment to value creation drives us to enrich customer experiences. By transitioning into a value-added product manufacturer, we unlock higher margins and a broader market reach. Our ongoing and executed expansion of manufacturing capacities reinforces this approach. Diversification further amplifies our offerings, spanning both existing and new products. Notably, our Galvanised/Cold Roll Pipes/Coils spearhead this endeavour. Through these efforts, we empower customers with expanded choices and elevated value.



Expanding our geographic footprint

Embarking on a geographical expansion, we are broadening our reach to include Western India alongside our Southern operations. Our robust distribution networks, pivotal to our success, remain a focus as we move them across familiar and untapped territories. This approach increased our market engagement and sales, particularly in cost-efficient locales. By tapping into these channels, we are poised to connect with more customers, enhance our market standing, and establish sustainable growth in these strategic regions.



Dealer-focused model

Embracing a dealer-focused model this year, we have strategically categorised our dealers by size, specialisation, and potential. This tailored approach ensures dedicated support, products aligned with customer needs, and flexible credit extensions. It is a mutual partnership driving growth - widespread distribution, enriched experiences, and shared success.

Environment

PIONEERING ECO-FORWARDNESS

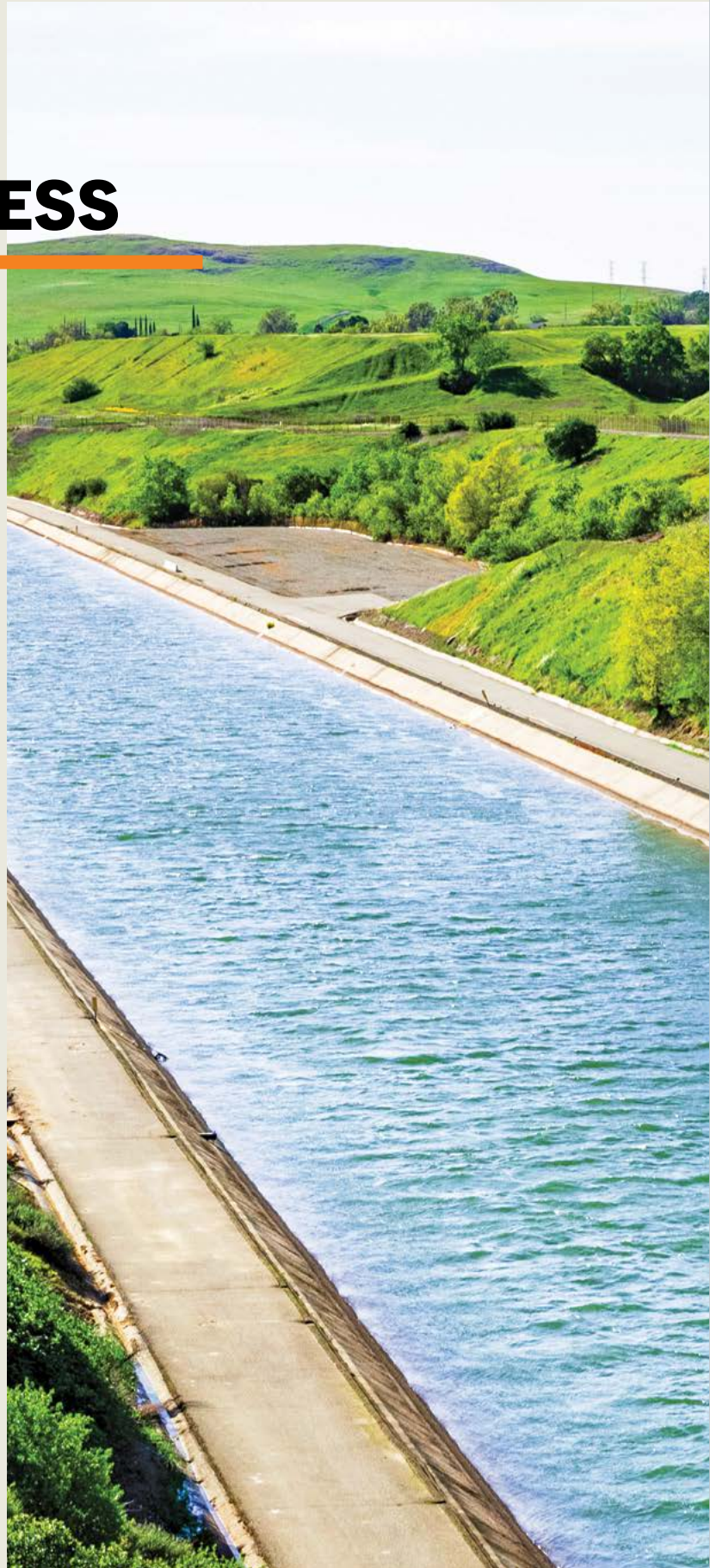
We are committed to reducing our carbon footprint and producing steel sustainably. Through innovative initiatives, we work towards greener operations across all business verticals. Our systematic approach ensures minimal impact on people, planet, and communities. Guided by the principles of Reduce and Recycle, we create sustainable value for a brighter future.

Recycling

As a part of our commitment to sustainability, we actively contribute to the circular economy by recycling scrap steel. This process plays a pivotal role in our steel production, as we prioritise the usage of recycled materials, including scrap steel and sponge iron, to minimise our environmental footprint and reduce energy usage across the entire value chain. Our dedication to recycling empowers us to produce finished steel products in an eco-friendly manner.

34%

Share of steel scarp
as raw materials





Preserving our precious resource

We utilise harvesting pits to save rainwater, recharging borewells efficiently. Our Zero Liquid Discharge system ensures circular water usage, curbing wastage. Prioritising water conservation across manufacturing units, we safeguard our vital resource. Every decision, from new projects to expansions, underscores our commitment to a sustainable future and responsible resource management.

ZERO

Wastage due to circular water usage in our Liquid Discharge Systems

Empowering clean air

Recognising the significance of air quality, we actively prioritise maintaining it in and around our manufacturing facilities. Through continuous efforts, we strive to minimise emissions from our processes, and we have robust strategies in place for further reduction in the foreseeable future. Our dedication is to ensure a safe and healthy environment for our employees, communities, and a positive impact on the planet.

Advancing towards renewable energy

In our journey towards sustainability, we have enabled a complete reliance on solar energy in our Mahabubnagar GP Plant that embodies our deep commitment to renewable sources. This initiative resonates with our collective dedication to a greener future and a minimised carbon footprint.

100%

Share of power consumption of Mahabubnagar GP Plant addressed through solar energy

Nurturing green cover

Promoting environmental stewardship, we prioritise increasing the green cover in and around our manufacturing facilities. Our proactive participation in tree-planting initiatives fosters a greener environment and enriches the areas surrounding our factory. We remain dedicated to fostering a thriving ecosystem for a sustainable future.

2,400+

Saplings planted during FY23

Social

EMBRACING A CULTURE OF CARE AND INCLUSIVITY

At Hariom, we take pride in our ability to cultivate enduring relationships with all stakeholders, including our valued customers, dedicated employees, and supportive communities. As an organisation, one of our primary objectives is to continue nurturing these connections, as we firmly believe that they play a pivotal role in building a sustainable and thriving business.



For the employees

At Hariom, our employees are the heart of our organisation, and their well-being is our top priority. We encourage talent development with the best people practices, fostering a culture of learning, growth, and appreciation. Our commitment to meritocracy has led to a dedicated workforce, evident in their longstanding loyalty to Hariom Pipe. We create a supportive work environment that nurtures skills and values, ensuring our team thrives, driving our continued success. Safety and inclusivity are paramount, with no injuries recorded this year. Moreover, we invest significantly in learning and development, empowering our workforce with future-ready leadership skills and abilities.

328
Total employees**

48
Average training
hours conducted
per employee

ZERO
Accidents recorded
during the year

**As on 31, March 23





For the customers

At the core of our values lies our dedication to enhance customer satisfaction. Over the years, we have gone to great lengths to enhance this experience. Our efforts encompass not only a diverse product range but also go beyond, providing extensive services. These include support teams for fabricator training, dedicated customer service to understand unique needs, and customer training. Additionally, we offer credit extensions, demonstrating our commitment to forging meaningful relationships with our valued customers.

20.89%

Customers associated with us for 5+ years



For the communities

We have embraced a sustainable business model, aiming for superior performance and positive social impact. Through our CSR policy, we focus on providing education to the economically disadvantaged, enhancing health and wellbeing, promoting social inclusivity, protecting flora and fauna, and preserving national heritage and cultural sites. As we face global challenges like climate change and inequality, we are focused to make a significant difference in the communities we serve, promoting a better future for all.

₹50.39 lakhs

CSR spent in FY23

Governance

ETHICS AND PRINCIPLES AT THE CORE OF GOVERNANCE

Good governance is one of our main priorities and we strongly believe in implementing good corporate governance across all the verticals of the organisation. We are an ethical company and have a robust corporate governance framework in place to ensure effective engagement with all our stakeholders and enable us to deliver long-term value.

We have a strategically sorted governance framework in place adequately comprising of Independent Directors, Women Director and Promoter Directors as well as the constitution of the committees of the Board of Directors, as required under applicable laws. We strive to ensure that we maintain the highest levels of transparency, accountability, awareness and equity in all aspects of operations.

Since we are a listed company, we have to comply with the applicable provisions of the Listing Regulations, as amended with respect to Corporate Governance, including the appointment of the Independent Directors and constitution of the committees. The Board of Directors function either as a full Board or through various committees formed to monitor specific operational areas. We continuously focus on designing and improving the flow of activities in an effective manner, which ensures economic prosperity and long-term value creation for the enterprise as well as for the stakeholders over the foreseeable future.

Board of Directors



Pramod Kumar Kapoor
Chairman and Independent Director



Rupesh Kumar Gupta
Managing Director



Sailesh Gupta
Whole-Time Director



Sunita Gupta
Non-Executive Director



Sneha Sankla
Independent Director



Rajender Reddy Gankidi
Independent Director



Soumen Bose
Additional Independent Director

- A Audit Committee
- S Stakeholders' Relationship Committee
- N Nomination and Remuneration Committee
- R Risk Management Committee
- C CSR Committee
- Member ■ Chairman

Management Team



Rupesh Kumar Gupta
Managing Director



Sailesh Gupta
Whole-Time Director



Amitabh Bhattacharya
Chief Financial Officer



Chirag Partani
Company Secretary & Compliance Officer



Ashish Agarwal
Marketing Head

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Review

The Indian economy is expected to have grown by 7.2%¹ in 2022-23 despite inflation and supply disruptions. Government actions to manage supply and demand, invest in infrastructure, and encourage private investment have aided the recovery of the manufacturing and services sectors. High GST and tax collections have provided resources to support the economy amidst a possible global slowdown. Affluent consumers drive demand, leading to strong growth in the retail industry. Some sectors show signs of job creation and increased labour force participation. The pursuit of self-sufficiency through policy measures aims to reduce import reliance and support the manufacturing sector.

GDP Growth of India

	GDP ²	Inflation ³	Unemployment Rate ⁴
FY23	7.2	4.9	7.5
FY24	6.5	4.4	6.0
FY25	7.6*	4.1	5.4

*The GDP growth of India for FY25 is estimated to be between 6% - 7.6%

Source: RBI April 2023

Source: RBI April 2023

Source: <https://www.imf.org/en/Countries/IND>

Source: Ministry of Statistics and Programme Implementation.

Source - <https://www.thehindubusinessline.com/economy/economic-growth-to-sustain-till-fy25-says-rbi-survey/article66958213.ece#:-:text=Forecasts%20for%20FY24%20GDP%20growth,Q4%20at%205.7%20per%20cent.>⁵

Drivers for Growth in India

Government Measures	Resilience of Manufacturing and Services Sectors	High GST and Tax Collections	Consumer and Business Confidence	Job Creation and Labor Force Participation	Policies for Self-Sufficiency ("Atmanirbhar" Initiative)
The government's proactive steps to manage supply and demand, invest in infrastructure, and encourage private investment are expected to boost economic growth.	The projected recovery of the manufacturing and services sectors indicates their potential to drive economic growth in the coming fiscal year.	Increased revenue from GST and direct taxes gives the government the necessary resources to support the economy despite potential global slowdowns.	Improved confidence among consumers and businesses can lead to increased spending and investment, stimulating economic activity.	Positive signs of job creation and increased labor force participation indicate the potential for sustained demand growth and economic progress.	Government policies aimed at reducing import dependence and supporting the manufacturing sector can drive growth and attract multinational companies seeking to diversify supply chains away from China.

Outlook

Amidst global challenges, India's economy has displayed extraordinary resilience and is set to outpace all other major economies, solidifying its position as the world's fastest-growing major economy. The RBI anticipates a 6.5%⁶ GDP growth for the fiscal year 2023-24, further reinforcing India's impressive growth trajectory.

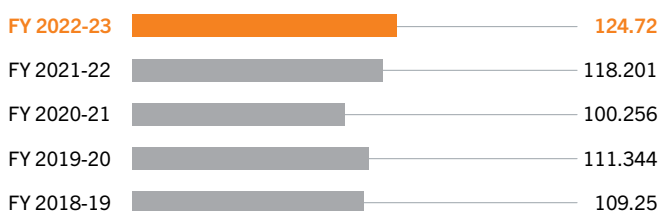
⁶Source – RBI April 2023

Steel Industry Overview

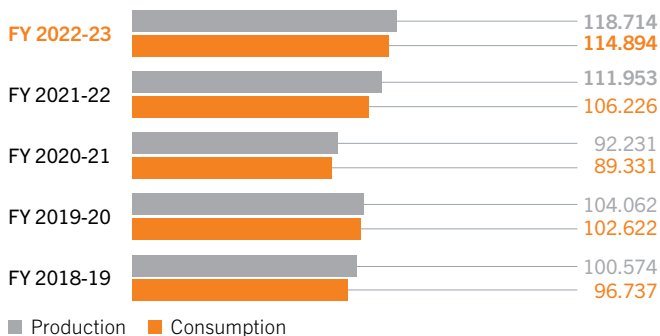
The steel industry in India is poised to play a crucial role in driving the country towards its ambitious goals, as indicated by the EY-CII report. With a significant production capacity of approximately 120 million metric tons (MT), India holds the position of the world's second-largest producer of crude steel, closely following China. The iron and steel industry's distribution is well-spread across several states, including Odisha, Jharkhand, Chhattisgarh, Karnataka, Maharashtra, West Bengal, and Gujarat.

The utilization of steel in diverse sectors such as construction, automotive, railways, capital goods, and consumer durables has been witnessing substantial growth. This growing demand across multiple industries bodes well for the steel sector's prospects. Market predictions by CareEdge Research indicate a positive outlook for the Indian steel industry, with domestic steel consumption expected to exhibit a growth rate of around 10-12% in FY2023. This robust demand signals potential opportunities for further expansion and development within the industry.

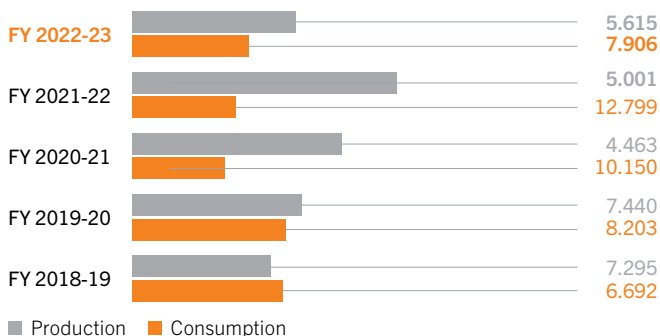
Crude Steel Production (MT)



Production and Consumption of Finished Steel (MT)



Finished Steel Import and Export (MT)



*Provisional

⁷Source: <https://steel.gov.in/sites/default/files/MoS%20AR%202022-23.pdf>

Budget 2023-24 Highlights: Growth Drivers for Steel Sector

Despite no specific funds allocated directly to the steel sector in Budget 2023-24, there are several opportunities in other industries that are expected to positively impact the outlook for the steel industry:

Railways Development

The government's plan to redevelop over 50 existing railway stations and allocate ₹2.4 lakh crore to the Railways is likely to significantly boost the demand for steel, as it will be essential in constructing railway infrastructure and modernizing stations.

Logistics Investment

With ₹75,000 crore planned for critical transportation infrastructure projects connecting key sectors like ports, coal, steel, fertilizers, and food grains, the demand for steel is expected to rise due to improved connectivity and transportation services.

Urban Development

The focus on urban planning and the proposed ₹10,000 crore annual fund for infrastructure development in Tier II and Tier III cities will drive a surge in demand for steel, particularly for steel girders in infrastructure projects and TMT steel bars in construction.

Steel Sector

The surge in government capital expenditure has emerged as a powerful demand driver for the steel industry. Over the last three years, the government's capex has exhibited an impressive 30% CAGR.

Financial Review

Our company's financial performance in the past year was exceptional, with substantial growth across key metrics.

- Revenues soared to ₹644.46 crores, a remarkable 48.7% increase from the previous year's ₹433.28 crores.
- EBITDA reached ₹82.63 crores, up by 40.5% compared to the ₹58.83 crores reported in the previous year.
- Profit after tax surged to ₹46.21 crores, a significant 45.2% rise from the ₹31.96 crores recorded in the previous year.

These results highlight our company's strong market position, effective operational strategies, and commitment to delivering value to our stakeholders. We are focused on sustaining this growth trajectory and driving continued success in the coming years.

Key Numbers and Ratios

Sr. No.	Parameters	FY 23	FY 22
1.	Debtor Turnover (x)	11.39	18.51
2.	Inventory Turnover (x)	2.83	2.99
3.	Operating Profit Margin (%)	11.36	11.71
4.	Current Ratio (x)	2.12	1.96
5.	ROCE (%)	14.63	37.43
6.	EBITDA/Turnover	0.13	0.14
7.	Interest Coverage Ratio	7.96	7.19
8.	Debt equity Ratio (x)	0.79	0.87
9.	Return on Equity (%)	12.32	31.64
10.	EBITDA (%)	12.82	13.58

Product-wise Performance

		(Amount in ₹ lakhs)		
Sr. No.	Name of the Product	FY 23	FY22	% Change
1.	MS Tubes	39,312.31	28,631.65	37.30%
2.	Scaffolding	2,339.50	769.00	204.23%
3.	GP/CR Pipe & Coil	9,630.30		
3.	Other Steel Products	13,089.10	13,656.00	-4.15%

Enterprise risk management

We strongly believe that every business entail risks, which can vary in terms of their impact, likelihood of occurrence, and speed of onset. These risks are constantly evolving and changing, and we consistently monitor the external environment to identify potential risks and evaluate their potential impact on our objectives. Our primary focus is to manage and mitigate these risks to acceptable levels. To achieve this, we rely on the guidance of the Board's Risk Management Committee, which oversees our enterprise-wide risk management initiatives. We strive to leverage our resources to convert opportunities into tangible outcomes.

Risk	Mitigation Approach
Liquidity Risk: Liquidity risk refers to the possibility of a company facing difficulty in meeting its financial obligations and short-term liabilities when they become due. It arises when an organization does not have sufficient liquid assets or cash flow to cover its immediate financial requirements. Such a situation can occur due to various reasons, including unforeseen changes in market conditions, economic downturns, or ineffective financial management.	To mitigate liquidity risk, we fund the majority of our expansion projects through internal accruals, using cash generated from completed projects for future capital expenditures. Additionally, transitioning to a digital mode of operations is expected to decrease financial leverage, enhancing our liquidity position.
Quality Risk: Quality risk refers to the potential threat faced by a company when it fails to maintain the expected standards and excellence in its products or services. It arises when there are gaps or shortcomings in the processes, operations, or consumer engagement that may compromise the quality of the offerings. Such risks can lead to a loss of consumer trust, damage to the brand reputation, and a decline in market position.	To preserve our leading market position, we proactively monitor operations, conduct regular quality assessments, and address potential gaps promptly. Consumer feedback is incorporated to adapt to their needs, ensuring continuous improvement and product excellence.
Customer Risk: Customer risk refers to the potential threat faced by a company when there is a dependency on a limited number of clients for a significant portion of its revenue. Relying heavily on a small group of customers can make a business vulnerable to adverse impacts if any of these key customers reduce their orders, switch to competitors, or face financial difficulties.	To mitigate customer risk, we diversify our revenue sources by expanding our customer base, ensuring we are not reliant on a few clients. Additionally, we prioritize customer satisfaction to build strong relationships and foster repeat business. Continuous market analysis helps us identify growth opportunities and target new consumer segments proactively.
Price Risk: Price risk refers to the potential threat faced by a company due to fluctuations in the cost of raw materials and other inputs essential for the production of goods or services. Supply chain disruptions, inflation, and market dynamics can lead to unpredictable changes in prices, impacting a company's profit margins and overall financial performance.	To mitigate price risk, we have adopted a backward integration model to control raw material costs and focus on premium products to enhance profitability margins. Expanding our product portfolio allows us to adapt to market dynamics while optimizing cost structures for financial resilience.
Regulatory Risk: Regulatory risk refers to the potential threat faced by a company due to changes in laws, policies, or regulations that could impact its operations, market access, or compliance requirements. Failure to adhere to regulatory guidelines can result in legal consequences, reputational damage, and financial losses.	To mitigate regulatory risk, we maintain a robust internal control system, adhere to stringent compliance processes, and enforce a 'zero tolerance' policy towards non-compliance. Regular monitoring and proactive adjustments ensure we remain compliant with changing regulations, fostering responsible business practices and safeguarding against potential legal and reputational challenges.



Internal control systems and their adequacy

The company has established robust internal control systems for financial reporting, tailored to its size and industry sectors. These systems aim to achieve the following objectives:

- Ensuring effective and efficient operations.
- Placing great emphasis on the reliability of financial reporting.
- Complying with all relevant laws and regulations.
- Preventing and detecting fraudulent activities and errors.
- Safeguarding the company's assets as a top priority.

These internal control policies and procedures contribute to efficiency and productivity throughout the organization while safeguarding its assets. The company maintains strict procedures to ensure accurate recording and consistent financial and operational support. An internal team and an Audit Committee diligently monitor business operations, promptly notifying the Management Board of any discrepancies.

Moreover, the company is dedicated to continuous growth by identifying and assessing risks, leading to the development of effective mitigation strategies. This proactive approach enhances the company's ability to navigate challenges and maintain sustainable progress.

Cautionary Statement

This report contains certain forward-looking statements describing the Company's objectives, projections, estimates, expectations, or predictions, as defined by applicable securities laws and regulations. While these statements are based on reasonable assumptions, actual results may materially differ from those expressed or implied.

BOARD'S REPORT

Dear Members,

The Board of Directors is delighted to present the report on the Business and Operations of Hariom Pipe Industries Limited ("the Company" or "HPIL"), along with the audited financial statements, for the financial year ended 31st March 2023.

In compliance with the applicable provisions of the Companies Act, 2013, ("the Act"), the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this Board's Report is prepared based on the standalone financial statements of the Company for the year under review.

Financial Results:

Key highlights of standalone financial performance for the year ended 31st March 2023, are summarised as under:

Particulars	(Amount in ₹ lakhs)	
	FY 2022-23	FY 2021-22
Income from operations	64,371.21	43,056.65
Other income	74.82	271.50
Total Revenue	64,446.03	43,328.15
Profit before Depreciation, Finance Costs and Tax Expense	8,263.15	5,883.41
Less: Depreciation	942.45	810.53
Less: Finance Cost	1,038.04	818.70
Profit/(Loss) before Tax (PBT)	6,282.66	4,254.19
Total Tax Expenses	1,661.86	1,058.47
Profit/(Loss) after Tax (PAT)	4,620.80	3,195.72

Operational Review:

Your Company has recorded total revenue of ₹ 64,446.03 lakhs as compared to ₹ 43,328.15 lakhs in the previous financial year. The Net profits of the Company has grown and stood at ₹ 4,620.80 lakhs as against a profit of ₹ 3,195.72 lakhs in the Previous Financial Year.

Your Company continues to engage with customers to maintain long term partnerships and develop new ones. Your Directors are optimistic about Companies business and hopeful of more better performance with more increased revenue next year.

Change in the Nature of the Business, if any:

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

Dividend Distribution Policy:

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') the Board of Directors of the Company(the 'Board') in their meeting held on 30th May 2023 have formulated and adopted the Dividend Distribution Policy.

The Policy is available on our website at <https://www.hariompipes.com/pdf/policies/Dividend-Distribution-Policy.pdf>.

Dividend:

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

Changes in Share Capital:

1. Authorised Capital:

The Authorised Share Capital of the Company is ₹ 40,00,00,000/- (Rupees Forty Crores only) divided into 3,66,83,800 (Three Crore Sixty Six lakhs Eighty Three Thousand and Eight Hundred Only) equity shares of ₹ 10/- (Rupees Ten Only) each and 33,16,200 (Thirty Three lakhs Sixteen Thousand and Two Hundred Only) 0% Series A redeemable Non-Cumulative Preference Shares of ₹ 10/- (Rupees Ten only) each.

The Authorized Capital of the Company was increased from ₹ 32,00,00,000/- to ₹ 40,00,00,000/-by addition of 80,00,000 Equity Shares of ₹ 10/- each vide resolution passed by the members in their meeting held on 20th February 2023.

2. Paid-Up Capital:

The total paid up capital of the Company is ₹ 30,56,56,290/- divided into 2,76,15,629 Equity Shares of ₹ 10/- each and 29,50,000 Preference Shares of ₹ 10/- each as on 31st March 2023.

- (a) The Board of Directors of the Company in their meeting held on 08th April 2022 have allotted 85,00,000 Equity Shares of ₹ 10/- each which were issued to public as initial Public Offering.
- (b) The Board of Directors in their meeting held on 10th August, 2022, have approved the redemption of 3,66,200 0% Series A Redeemable Non-Cumulative Preference Shares having face value of ₹ 10/- at a price of ₹ 10/- per Share each. The Shares were redeemed by the Company on 23rd September 2022.
- (c) The Board of Directors vide resolution passed by circulation on 31st March 2023 has allotted 21,39,425 Equity Shares of ₹ 10/- each as Preferential Issue.

Material Changes and Commitments:

- As approved by the members In their meeting held on 20th February 2023, the Company has allotted 2,750 Equity Shares of ₹ 10/- each and 7,500 Convertible Warrants on 06th April 2023 and the trading approval for 2,750 Equity Shares was received on 05th June 2023 from both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India limited (NSE).
- The company has completed installation and commenced production from two new MS Pipe Mills at plant located at Mahabubnagar District as stated in the Objects of the Issue in Prospectus dated 07th April 2022. With this, the total installed capacity of MS Pipes has gone up to 1,32,000 MTPA from the current 84,000 MTPA.
- The company has completed installation and commenced production from galvanized pipe mill at plant located at Mahabubnagar District as per the terms and conditions mentioned in the sanctioned letter dated 22nd September 2022 by Canara Bank. The total installed capacity of this Galvanized Pipe Mill is 1,20,000 MTPA.
- The company has completed installation and commenced production of its Cold Roll Steel Mill at plant located at Mahabubnagar District as per the terms and conditions mentioned in the sanctioned letter dated 22nd September 2022 by Canara Bank.

- That the company has been granted customised Incentives of ₹ 120.69 Crores by Industries and Commerce (IP & INF) Department under the following heads:

- 75% net SGST for 7 years limited to ₹ 80.61 Crores.
- Power cost reimbursement @ ₹ 2.00 per unit for a period of 5 years Limited to ₹ 34.76 Crores.
- Interest Subsidy @ 3% for five years Limited to ₹ 5.32 Crores.
- All other Incentives as per T-IDEA

The above mentioned incentives are granted for establishment of GP – Galvanised Steel pipes/CR- Cold Rolled /MS-Mild Steel Pipe unit at Sheriguda Village, Mahabubnagar District in Telangana State.

Except as mentioned above, there are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended 31st March 2023 and the date of this Board's Report.

Initial Public Offer (IPO) of Equity Shares:

Your Company came out with an initial public offer (IPO) comprising of entire fresh Issue of 85,00,000 Equity Shares. The issue was open for subscription from 30th March 2022 to 05th April 2022. Pursuant to the IPO 85,00,000 Equity shares were issued and allotted on 08th April 2022 to the public at price of ₹ 153/- per share. The Company received listing and trading approvals from BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE) on 12th April 2022 and the equity shares were listed on BSE and NSE on 13th April 2022.

During the period under review, there has been no deviation or variation in the utilization of the proceeds of the Initial Public Offer (IPO).

Preferential Issue:

The members of the Company in their meeting held on 20th February, 2023 has approved the Issue of 21,44,000 Equity Shares of ₹ 10/- at a price of ₹ 345/- per Share and 33,71,000 Convertible Warrants at a price of ₹ 345/- per warrant.

The Company received the In-principal approval from the Stock exchanges i.e BSE Limited and National Stock Exchange of India limited (NSE) on 24th March 2023 and 27th March 2023 respectively for issue and allotment of 21,43,500 Equity shares of ₹ 10/- each and 33,69,500 Convertible Warrants.

The Company has allotted 21,39,425 Equity Shares of ₹ 10/- each and 33,48,125 Convertible Warrants on 31st March 2023. The Company has received Trading Approval with respect to 21,39,425 Equity Shares on 22nd May 2023 from both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India limited (NSE).

The Company has further allotted 2,750 Equity Shares of ₹ 10/- each and 7,500 Convertible Warrants on 06th April 2023 and the trading approval for 2,750 Equity Shares was received on 05th June 2023 from both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India limited (NSE).

The amount raised by preferential issue will be used by the Company to meet the working capital requirements of the Company.

During the period under review, there has been no deviation or variation in the utilization of the proceeds of the preferential issue

Credit Ratings:

CRISIL has Assigned the following rating vide its e-mail dated 22nd March 2023, to the company.

Facility	Tenure	Latest Ratings
Fund Based	Long Term	CRISIL A- /Stable (upgraded from 'CRISIL BBB+/Stable')
Non-Fund Based	Short Term	CRISIL A2+ (upgraded from 'CRISIL A2')

The previous rating as assigned by CRISIL Ratings vide its letter dated 05th April 2022 were as follows:

Facility	Tenure	Previous Ratings
Fund Based	Long Term	CRISIL BBB+/Stable
Non-Fund Based	Short Term	CRISIL A2

Audit Reports and Auditors:

1. Statutory Auditor and Statutory Auditor Report:

M/s R Kabra & Co LLP, Chartered Accountants (Firm Registration No. 104502W/W100721) were appointed as the Statutory Auditors of the Company for a period of five years from the conclusion of the 14th Annual General Meeting till the conclusion of 19th Annual General Meeting of the Company to be held in the year 2026.

The Auditors' Report issued by M/s R Kabra & Co LLP, Chartered Accountants for the year ended 31st March 2023 does not contain any qualification, reservation, or adverse remark. The Report is enclosed with the Financial statements in this Annual Report.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

2. Cost Auditor and Cost Auditor Report:

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Sheshadri & Associates, Cost Accountants, (Firm Registration No. 101476) as the cost auditors of the Company for the year ending 31st March 2024. M/s Sheshadri & Associates, Cost Accountants have

vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration of ₹ 75,000 plus applicable taxes and reimbursement of out-of-pocket expenses payable to the Cost Auditors for conducting cost audit of the Company for FY 2023-24 as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company. The same is placed for ratification of Members and forms part of the Notice of the AGM.

3. Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board of Directors of your Company at their meeting held on 06th May 2022 has appointed M/s. VSSK & Associates, Practicing Company Secretary, to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit is annexed as **Annexure - III**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

As per Regulation 24A of the Listing regulations, the Annual Secretarial Compliance Report issued by M/s. VSSK & Associates, Practicing Company Secretaries pursuant to SEBI circular dated 08th February 2019, has been submitted to the Stock exchanges within the Statutory timelines.

4. Internal Auditor and Internal Audit Report:

Pursuant to the provisions of Section 138 and any other applicable provisions of the Companies Act, 2013, Board of Directors of your Company at their meeting held on 06th May 2022 has appointed M/s. Ravi Ladia & Co, Chartered Accountants (Firm Regn. No. 014255s) as an Internal Auditor of the Company. The Internal Auditors submits their reports on quarterly basis.

5. Reporting of Frauds by Auditors:

During the year under review, there was no instance of fraud, which were required to be reported to the Audit Committee and /or Board by the Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

Details of Directors or key managerial personnel who were appointed or re-appointed or resigned during the year

1. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mrs. Sunita Gupta, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers herself for re-appointment. The Board recommends her re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Mrs. Sunita Gupta has been given in the Notice convening the Annual General Meeting.

2. Appointment of Independent Directors:

- (a) The Board on recommendation of the Nomination & Remuneration committee (“NRC”) in its meeting held on 10th June 2022 has approved the appointment of Mr. Soumen Bose as an Additional Director – Non-Executive and Independent. He was appointed as a Independent Director by the shareholders of the Company by passing a Special resolution in the 15th AGM held on 09th September 2022.
- (b) The Board on recommendation of the Nomination and Remuneration Committee (“NRC”), in its meeting held on 14th November 2022 has approved the appointment of Mrs. Sneha Sankla (DIN: 02849733) as an Additional Director – Non-Executive and Independent. She was appointed as a Independent Director by the shareholders of the Company by Passing Special Resolution on 08th February 2023 through Postal Ballot.

3. Resignation of Director:

Mrs. Shanti SreeBolleni (DIN: 07092258), vide her letter dated 15th October 2022 has tendered her resignation as Non-Executive- Independent Director of the Company with effect from the close of business hours of 15th October 2022.

The reason for her resignation was due to her professional and other pre-occupations. She also confirmed that there are no other material reasons for her resignation.

4. Key Managerial Personnel:

During the year under review there were no changes to the Key Managerial Personnel of the Company.

Except as mentioned above, none of the Directors or Key Managerial Personnel were appointed or re-appointed or resigned during the year.

Meeting of Independent Directors:

Meeting of the Independent Directors without the presence of Non-Independent Directors and members of Management was duly held on 21st March 2023, where the Independent Directors *inter alia* evaluated the performance of Non-Independent Directors and the Board of Directors as a whole, reviewed the performance of Chairperson of the Board and assessed the quality, quantity and timeliness of the flow of information between the Management of the Company and the Board of Directors.

Declaration Given by Independent Directors:

All Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. Based on the declarations submitted by the Independent Directors, Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the Management.

Independent Directors have also confirmed of having complied with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, by including/ registering their names in the data bank of Independent Directors maintained with Indian Institute of Corporate Affairs.

In the opinion of the Board, all the Independent Directors have the integrity, expertise and experience, including the proficiency required to effectively discharge their roles and responsibilities in directing and guiding the affairs of the Company.

Familiarization Programmes for Independent Directors:

All Directors including Independent Directors go through a structured orientation/ familiarization programme to make them familiar with their roles, rights and responsibilities in the Company at the time of appointment and also on a recurrent basis. The details of various programmes undertaken for familiarizing the Independent Directors are available on the website of the Company at <https://www.hariompipes.com/investor-relations-details-of-familiarization-programmes.php>.

Details of Subsidiaries, Associates and Joint Ventures:

Your Company has no subsidiary companies, no Associate companies and no joint ventures.

Secretarial Standards:

The Company has complied with the provisions of the applicable secretarial standards issued by the Institute of the Company Secretaries of India and such systems are adequate and operating effectively.

Details in respect of adequacy of internal financial controls with reference to the financial statements:

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, applicable laws and regulations, and that all assets and resources acquired are used economically.

Quality and Systems:

Your company continues to maintain its certification under the Integrated Management Systems with certifications under ISO 9001:2015.

Code Of Conduct:

In compliance with Regulation 17(5) of the Listing Regulations, the Board of Directors have framed and adopted Code of Conduct (“the Code”) for Directors and Senior Management of the Company. The Code provides guidance on ethical conduct of business and compliance of law. The Code is available on the Company’s website at <https://www.hariompipes.com/pdf/code-of-conduct/Code-of-Conduct-for-Board-and-Senior-Management.pdf>.

All Members of the Board and Senior Management personnel have affirmed the compliance with the Code as on 31st March 2023. A declaration to this effect, signed by the Managing Director in terms of the Listing Regulations, is given in the Corporate Governance Report forming part of this Annual Report.

Annual Return:

The Annual Return of the Company as on 31st March 2023 is available on the Company’s website and can be accessed at <https://www.hariompipes.com/investor-relations-annual-return.php>.

Deposits:

The company has neither accepted nor renewed any deposits falling within the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 including any modification, amendment and reenactment thereto for the time being in force from the public during the financial year.

Number of Board Meetings Held During the year:

The Board of Directors duly met 09 (Nine) times during the year and in respect of which meetings, proper notices were given and the proceedings were properly recorded. For details of the meetings of the Board, please refer to the report on Corporate Governance, which forms part of this Annual report.

Board Evaluation:

Pursuant to the provisions of the Act and the Listing Regulations, annual performance evaluation is to be done for the Board, its Committees, the Chairman and Individual Directors. To ensure an effective evaluation process, the Nomination and Remuneration Committee of the Board of Directors ("NRC") has put in place evaluation framework for conducting the performance evaluation exercise.

Based on the criteria set by NRC, the Board has carried out annual evaluation of its own performance, its Committees and individual Directors for financial year 2022-23.

The performance evaluation of the Board was done on key attributes such as composition, administration, corporate governance, independence from Management, etc. Parameters for evaluation of Directors included constructive participation in meetings and engagement with colleagues on the Board. Similarly, committees were evaluated on parameters such as adherence to the terms of the mandate, deliberations on key issues, reporting to Board, etc. Evaluation of the Chairman of the Company was on the basis of his leadership, guidance to the Board and overall effectiveness.

Meeting of Independent Directors

During the year under review, the Independent Directors met on 21st March 2023 *inter alia*, to discuss:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Review the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) That in the preparation of the annual accounts for the period ended 31st March 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at 31st March, 2023 and of the statement of profit of the company for the financial year ended 31st March 2023;
- (c) That the proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) That the Directors have prepared the accounts for the period ended 31st March 2023 on a 'Going Concern' basis;
- (e) That the Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial controls are adequate and operating effectively.
- (f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance Report:

Your Company is committed to maintain the high standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India. The Report on corporate governance as stipulated under Regulation 34 of the Listing Regulations, forms part of this Annual Report and is annexed as **Annexure - VI**. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Regulations forms part of this report.

Management Discussion and Analysis Report (MD&AR):

Pursuant to Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the Listing Regulations, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended 31st March 2023.

Business Responsibility and Sustainability Report (BRSR):

Business Responsibility and Sustainability Report for the financial year under review, as stipulated under Regulation 34(2)(f) of the Listing Regulations and SEBI Circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10th May 2021, is presented in a separate section and forms part of this Annual Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and amp; outgo pursuant to Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Account) Rules, 2014 is annexed as **Annexure - I**.

Company's Policies:

The details of the policies approved and adopted by the Board are provided in the Corporate Governance Report which forms part of this Annual Report

Particulars of Loans, Guarantees or Investments under Section 186 of the companies Act 2013:

The Company has not given any Loans, Guarantees or made any Investments under section 186 of the Companies Act 2013.

Particulars of Employees:

Disclosure of ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as **Annexure-IV**. Further, particulars of employees pursuant to Rule 5(2) & 5(3) of the above Rules form part of this report. The said information is available for inspection at the registered office of the Company during working days of the Company up to the date of the ensuing annual general meeting.

Contracts or Arrangements with Related Parties:

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis. The details of which is disclosed in Form AOC-2 as **Annexure – II** pursuant to the requirements of section 134(3)(h) of the Companies Act, 2013, which forms part of this Annual Report.

In accordance with the requirements of the Listing Regulations, the Company has adopted a Policy on Materiality of Related Party Transactions and the same has been placed on the website of the Company at <https://www.hariompipes.com/pdf/policies/RPT-Policy.pdf>.

Transfers to Reserves:

The Company does not propose any amount to be transferred to reserves.

Nomination and Remuneration Policy:

Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with an objective of having a Board with diverse backgrounds and experience. Characteristics expected from all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner. Policy on appointment and removal of Directors can be accessed at the weblink <https://www.hariompipes.com/pdf/policies/nomination-and-remuneration-policy.pdf>.

Based on the recommendations of Nomination and Remuneration Committee, Board approved the Remuneration Policy for Directors, Key Managerial Personnel (KMP) and all other employees of Company. As part of the policy, Company strives to ensure that:

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. Relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- iii. Remuneration to Directors, KMP and senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of Company and its goals.

The salient features of this policy are:

- This Policy sets out the guiding principles for the Human Resources and Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.
- It lays down the parameters based on which payment of remuneration (including sitting fees and remuneration) should be made to Non-Executive Directors.
- It lays down the parameters based on which remuneration (including fixed salary, benefits and perquisites, commission, retirement benefits) should be given to Whole-time Directors, KMPs and rest of the employees.

The Remuneration Policy for Directors, KMP and other employees can be accessed at the weblink <https://www.hariompipes.com/pdf/policies/nomination-and-remuneration-policy.pdf>.

Vigil Mechanism/ Whistle Blower Policy:

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

As per the provisions of Section 177(10) of the Companies Act 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

The Whistle-blower Policy is being made available on the website of your company at <https://www.hariompipes.com/investor-relations-policies-new.php>.

Risk Management Policy:

The company has a well-defined process in place to ensure appropriate identification and treatment of risks. Risk identification exercise is inter-woven with the annual planning cycle which ensures both regularity and comprehensiveness. The identification of risk is done at strategic, business, operational and process levels.

The Company has risk management mechanism in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company.

The Board of Directors also approved the Risk Management Policy in its meeting held on 30th May 2023.

Prevention of Insider Trading and code of fair disclosure:

The Board has formulated a code of internal procedures and conduct to regulate, monitor and report trading by Insiders. This code lays down guidelines, procedures to be followed and disclosures to be made by the insiders while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company in the Investor relation section at <https://www.hariompipes.com/pdf/code-of-conduct/Code%20of%20Conduct%20under%20PIT%20Regulations,%202015.pdf>.

Further, the Board has also formulated code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code") for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The copy of the same is available on the website of the Company in the Investor relation section at <https://www.hariompipes.com/pdf/policies/Fair-Disclosure-Policy.pdf>.

Details about the Corporate Social Responsibility Policy Developed and Implemented by the company:

In terms of section 135 and Schedule VII of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, as amended, the Board of Directors of your Company have constituted a Corporate Social Responsibility Committee.

The board has Corporate Social Responsibility Policy aligned with Section 135 of the Act and rules made thereunder which is available on the website of the Company at web link <https://www.hariompipes.com/investor-relations-policies-new.php>. A detailed report on the CSR activities taken up by your Company is annexed as **Annexure - V** to this report.

Committees of the Board:

a) Audit Committee:

The constitution of Audit Committee is as follows:

Sl. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Rajender Reddy Gankidi	Independent Director	Chairperson
2.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Member
3.	Mr. Soumen Bose	Independent Director	Member

b) Nomination and Remuneration Committee:

The constitution of Nomination and Remuneration Committee is as follows:

Sl. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Rajender Reddy Gankidi	Independent Director	Chairperson
2.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Member
3.	Mr. Soumen Bose	Independent Director	Member

c) Constitution of Stakeholders Relationship Committee:

The constitution of Stakeholders Relationship Committee is as follows:

Sl. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Chairperson
2.	Mr. Soumen Bose	Independent Director	Member
3.	Mr. Rajender Reddy Gankidi	Independent Director	Member

d) Constitution of Corporate Social Responsibility Committee:

The constitution of Corporate Social Responsibility Committee (CSR) is as follows:

Sl. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Rupesh Kumar Gupta	Managing Director	Chairperson
2.	Mr. Sailesh Gupta	Wholetime Director	Member
3.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Member

e) Risk Management Committee:

The constitution of Risk Management Committee is as follows:

Sl. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Soumen Bose	Independent Director	Chairperson
2.	Mr. Rajender Reddy Gankidi	Independent Director	Member
3.	Mr. Rupesh Kumar Gupta	Managing Director	Member

Policy On Sexual Harassment:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has complied with the provisions related to the Constitution of Internal Complaints Committee (ICC).

During the financial year ended 31st March 2023, the company has not received any complaints pertaining to sexual harassment.

Listing Status:

The Company's equity shares are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid the listing fees to both the Stock exchanges. The Company has also paid the Annual Custody Fee to National Securities Depository Limited and Central Depository Services (India) Limited for the financial year ended 31st March 2023.

Revision made in Financial Statements/ Board's Report:

The Company has not revised the Financial Statements or Board's Report in respect of any of the three preceding financial years.

Significant and Material Orders Passed by the Regulators or Courts:

The company has not received any significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Proceeding Pending Under the Insolvency and Bankruptcy Code, 2016:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

General:

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of your Company under any scheme.
- The Company does not have any Employee Stock Option Scheme & Employee Stock Purchase Scheme for its Employees/Directors.
- There was no one time settlement with any Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

Acknowledgement:

Your Directors thank various departments of Central and State Government, Organizations and Agencies for the continued help and co-operation extended by them to your Company. Your Directors also gratefully acknowledge all stakeholders of the Company viz. Members, Customers, Dealers, Vendors, Financial Institutions, banks and other business partners for the excellent support received from them during the year. Your Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Hariom Pipe Industries Limited

Sd/-
Rupesh Kumar Gupta
Managing Director
(DIN: 00540787)

Sd/-
Sailesh Gupta
Wholetime Director
(DIN: 00540862)

Date: 10th August 2023
Place: Hyderabad

Annexure I

Information under section 134(3)(M) of the companies act, 2013, read with companies (accounts) rules, 2014.

A. Conservation of Energy:

- (i) The Company being a manufacturing unit have been using hot charge technique for round rolling, the billets are delivered for hot rolling in the wire rod or bar mill after they exit the casting unit but before they lose all their heat. The main feature and advantages of hot charging technique are:
- Energy saving,
 - Decreasing billet inventory / yard space
 - Reducing production cycle time
 - Billet surface quality defects prevention during the cooling process. Also the management of the have been making continuous efforts to identify the areas of energy conservation for effecting improvements.
- (ii) The Company have been procuring energy from Indian Energy Exchange (IEX) as an alternative for procuring energy as and when required.
- (iii) The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.
- (iv) The Company has Install new Solar Roof tops of 2,000 Kwph in the current Financial year to meet its power consumption requirements in a efficient manner.

B. Technology Absorption:

(i) the efforts made towards technology absorption:	NIL
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:	NIL
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -	
(a) the details of technology imported:	NIL
(b) the year of import:	NIL
(c) whether the technology been fully absorbed:	NIL
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:	NIL
(iv) the expenditure incurred on Research and Development:	NIL

C. Foreign Exchange Earnings and Outgo:

Activities relating to exports and initiatives taken to increase export products, services and export plans:	NIL
--	-----

Foreign Exchange earnings and outgo:
(On receipts and payments basis)

Particulars	(in ₹)	
	2022-23	2021-22
Foreign Exchange Earnings	9,954	-
Foreign Exchange Outgo	-	539

For and on behalf of the Board

Hariom Pipe Industries Limited

Sd/-
Rupesh Kumar Gupta
Managing Director
(DIN: 00540787)

Sd/-
Sailesh Gupta
Wholetime Director
(DIN: 00540862)

Date : 10th August 2023
Place: Hyderabad

Annexure II

Form No. AOC-2

DETAILS OF RELATED PARTY TRANSACTIONS

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

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

The company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

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

The following are the details of the transactions:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangement / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
Mr. Rupesh Kumar Gupta	Rent paid (Expenses)	NA	Rent of ₹ 55,000/- Per Month.	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable.	NIL
Mr. Rupesh Kumar Gupta	Rent paid (Expenses)	NA	Rent of ₹ 75,000/- Per Month starting from November 2022.		
Mrs. Parul Gupta	Rent paid (Expenses)	NA	Rent of ₹ 35,000/- Per Month (the agreement ended on September 2022)	Further the necessary approvals were granted by the Audit Committee from time to time.	NIL
Mr. Sailesh Gupta	Rent paid (Expenses)	NA	Rent of ₹ 50,000/- Per Month		
Lakshit Trade Link	Purchase of Goods	NA	₹ 21,21,406/-		
Ultra Pipes	Sale of Goods	NA	₹ 39,36,27,619/-	The transactions taken with ultra pipe were approved by the Audit Committee.	Nil
Ultra Pipes	Purchase of Goods	NA	₹ 33,69,44,804/-		
				Further as the value of Transactions exceeded 10% of the Turnover, the prior approval of members was also taken in its 15 th Annual General Meeting held on 09 th September 2022.	

For and on behalf of the Board

Hariom Pipe Industries Limited

Sd/-

Rupesh Kumar Gupta
Managing Director
(DIN: 00540787)

Date: 10th August 2023
Place: Hyderabad

Sd/-

Sailesh Gupta
Wholetime Director
(DIN: 00540862)

Annexure III

FORM No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2023

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

To,
The Members,
M/s. HARIOM PIPE INDUSTRIES LIMITED
L27100TG2007PLC054564
3-4-174/12/2, 1st Floor, Samarpan,
Lane beside Spencer's Pillar No. 125,
Attapur Hyderabad TG 500048 India.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period).
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period).
- (vi) I have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company. The list of major head or groups of Acts, Rules, Laws and Regulations as applicable to the Company is given in **Annexure B**.

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

Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

During the period under review, the Company has complied with the provisions of the Acts, 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, or at shorter notice duly consented by the Directors, 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 the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Ordinary Resolutions passed during FY 2022-23:

1. Approval of Audited Financial Statements: (AGM dated 09th September 2022)
2. Rotation of Director (Sunita Gupta): (AGM dated 09th September 2022)
3. Ratification of the remuneration of Cost Auditors for the financial year ending 31st March 2023: (AGM dated 09th September 2022)
4. Approval of Material Related Party Transaction(s): (AGM dated 09th September 2022)
5. Increase in remuneration of Mr. Rakesh Kumar Gupta, Technology Advisor of the Company: (AGM dated 09th September 2022)
6. Increase in Authorised Capital. (EGM dated 20th February 2023)

Special Resolutions passed during FY 2022-23:

1. Appointment of Mr. Soumen Bose (DIN: 09608922) as an Independent Director of the Company: (AGM dated 09th September 2022)
2. Re-appointment of Mr. Pramod Kumar Kapoor (DIN: 03557358) as Chairman and Independent Director of the Company: (AGM dated 09th September 2022)
3. Approval for increase in remuneration of Mr. Rupesh Kumar Gupta, Managing Director of the Company. (AGM dated 09th September 2022)
4. Approval for increase in remuneration of Mr. Sailesh Gupta, Whole time Director of the company: (AGM dated 09th September 2022)
5. Appointment of Mrs. Sneha Sankla (DIN: 02849733) as an Independent director: (Postal Ballot dated 08th February 2023)
6. Increase in Borrowing Limit upto ₹ 1,000 crores. (Postal Ballot dated 08th February 2023)
7. Creation of charge on Movable and Immovable properties. (Postal Ballot dated 08th February 2023)
8. Issuance of upto 33,71,000 (Thirty Three lakhs Seventy One Thousand only) warrants on Preferential Basis: (EGM dated 20th February 2023)
9. Issuance of up to 21,44,000 Equity Shares of ₹ 10/- each of the Company on a Preferential Basis: (EGM dated 20th February 2023)

Others :

The Board of Directors at their meeting held on 10th August 2022, have approved the redemption of 3,66,200 0% Series A Redeemable Non-Cumulative Preference Shares having face value of ₹ 10/- at a price of ₹ 10/- per Share each. The Shares were redeemed by the Company on 23rd September 2022.

This Report is to be read with our letter of even date which is annexed as **Annexure A** and which Forms an integral part of this report.

For VSSK & Associates,

Company Secretaries
Unique Code: P2015TL044700

CS Vinod Sakaram,
Partner
PCS: 8345

Date: 03rd August 2023
Place: Hyderabad

UDIN: A023285E000737121
PR: 1456/2021

Annexure A

To,
The Members
HARIOM PIPE INDUSTRIES LIMITED

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For VSSK & Associates,

Company Secretaries
Unique Code: P2015TL044700

CS Vinod Sakaram,
Partner

PCS: 8345
UDIN: A023285E000737121
PR :1456/2021

Date: 03rd August 2023
Place: Hyderabad

Annexure B

(I) LABOUR AND WORKPLACE RELATED LAWS:

1. Employees Provident Funds & Misc. Provisions Act 1952
2. Employees State Insurance Act, 1948
3. Payment of Gratuity Act, 1972
4. Minimum Wages Act, 1948
5. Equal Remuneration Act, 1976
6. Payment of Wages Act, 1936
7. Workmen's Compensation Act, 1923
8. Maternity Benefit Act, 1961
9. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
10. Labour Welfare Fund Act, 1952
11. Contract Labour (Regulation & Abolition) Act, 1970
12. Telangana Tax on Professions, Trades, Callings and Employments Act, 1987
13. Factories Act, 1948 and allied State Laws.
14. Industrial Employment (Standing Orders) Act, 1946
15. Industries (Development & Regulation) Act, 1951
16. The Child Labour (Regulation and Abolition) Act, 1970
17. The Industrial Disputes Act, 1947

(II) ECONOMIC & MISC. LAWS:

1. Negotiable Instrument Act, 1881
2. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(III) REVENUE LAWS:

1. Income Tax Act, 1961
2. Indian Stamps Act, 1899
3. Indian Contract Act, 1872
4. Good and Services Tax Act, 2017

(IV) ENVIRONMENTAL LAWS

1. Environment (Protection) Act, 1986 and the rules, notifications issued thereunder
2. The Water (Prevention & Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
3. Air (Prevention & Control Pollution) Act, 1981 and the rules and standards made thereunder
4. Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013
5. Telangana Fire Service Act, 1999

For **VSSK & Associates,**
Company Secretaries
Unique Code: P2015TL044700

CS Vinod Sakaram,
Partner

PCS: 8345

Date: 03rd August 2023

Place: Hyderabad

UDIN: A023285E000737121

PR: 1456/2021

Annexure IV

REPORT ON MANAGERIAL REMUNERATION

[As per Section 197 of the Companies Act, 2013, Read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(A) Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, ratio of the remuneration of each Director to the median remuneration of the employees of the company are as under:

Name	Executive Directors and KMP	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2022-23
Mr. Rupesh Kumar Gupta	Managing Director	98.71	-
Mr. Sailesh Gupta	Wholetime Director	78.91	-
Mr. Pramod Kumar Kapoor	Chairman & Independent Director	1.32	52.38
Mr. G Rajender Reddy	Independent Director	1.66	86.15
Mr. Soumen Bose**	Independent Director	-	-
Mrs. Sneha Sankla***	Independent Director	-	-
Mrs. B Shanti Sree****	Independent Director	-	-
Mrs. Sunita Gupta	Non-Executive Director	0.49	-32.07
Amitabha Bhattacharya	Chief Financial Officer	-	119.15
Chirag Partani	Company Secretary & Compliance Officer	-	93.42

Note: Non-Executive and Independent Directors are paid remuneration by way of sitting fees only.

** Mr. Soumen Bose was appointed as an Independent Director effective from 10th June 2022. Since the remuneration of Ms. Bose is only for part of the year, percentage increase in remuneration over previous year as well as the ratio of his remuneration to median remuneration is not comparable and hence not stated.

*** Mrs. Sneha Sankla was appointed as an Independent Director effective from 14th November 2022. Since the remuneration of Mrs. Sankla is only for part of the year, percentage increase in remuneration over previous year as well as the ratio of her remuneration to median remuneration is not comparable and hence not stated.

**** Mrs. Shanti Sree Bolleni has resigned as Independent Director of the Company w.e.f 15th October 2022. Since the remuneration of Mrs. Bolleni is only for part of the year, percentage increase in remuneration over previous year as well as the ratio of her remuneration to median remuneration is not comparable and hence not stated.

- | | |
|---|--|
| <p>i. The median remuneration of employees' of the Company during the financial year was ₹ 1,82,354/-.</p> <p>ii. There were 328 permanent employees on the rolls of Company as on 31st March 2023.</p> <p>iii. The percentage increase in the median remuneration of employees in the financial year ending 31st March 2023 was 26.00%.</p> <p>iv. 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.</p> | <p>v. The Company affirms that remuneration is as per the Nomination and remuneration policy of the Company.</p> <p>vi. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary of the Company.</p> |
|---|--|

The average percentile increase in the salaries of the employees other than KMP's is 6.23% as compared to FY 2021-22. Whereas there is an aggregate Increase

(B) Statement of Particulars of Employees Pursuant to Provisions of Rule 5 (2) of Section 197 (12) of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name and Designation	Remuneration received (Amount in ₹)	Nature of employment, whether contractual or otherwise	Qualification and experience	Date of Commencement of employment	Age	The last employment held before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule(2) of Rule 5	Whether the employee is a relative of any director or manager of the company
1.	Rupesh Kumar Gupta, Managing Director	180,00,000	P	Undergraduate with more than 2 decades of experience in Steel Industry.	21 June 2007 (Incorporation)	47	-		Yes
2.	Sailesh Gupta, Wholetime Director	144,00,000	P	B.Com Graduate with more than a decade of experience in marketing.	09 January 2010	42	-		Yes
3.	Rakesh Kumar Gupta, Technology Advisor	24,00,000	P	Undergraduate with more than 4 decades of experience in Steel Industry.		69	-		Yes
4.	Paul Gupta, Human Resource Officer	36,00,000	P	Graduate and has a experience of 7 years in steel Industry.	01 October 2014	44	-		Yes
5.	Isha Gupta, Brand manager	36,00,000	P	Under graduate and has a experience of 7 years in steel Industry.	01 October 2014	39	-		Yes
6.	Amitabha Bhattacharya, Chief Financial Officer (CFO)	35,78,400	P	B. Com, Msc and more than 20 years of experience in Diverse Industries.	01 July 2007	47	Hariom metal Tubes Private Limited		No
7.	Anand Kumar Joshi.D, President Human Resource and Business Strategy	22,20,000	P	Master in Business Administration (Human Resource) with more than 28 years of experience in HR Field.	03 February 2021	50	MS AGARAWAL GROUP		No
8.	Ashish Agarwal, Marketing Head	16,58,400	P	MBA with more than a Decade of experience in steel Industry.	24 September 2011	45	Class Teacher Learning Systems		No
9.	Chirag Partani, Company Secretary & Compliance Officer	15,98,382	P	Company Secretary with experience of more than 9 years. He is also a B.Com and LL.B Graduate.	06 October 2017	30	AARV Infratel Limited		No
10.	Maruti Chindhu Jadhav, General Manager Production (Pipe Unit)	12,98,400	P	B.Sc with more than 38 years of experience.	01 September 2020	62	Zenith Birla (India) Limited		No

Note:

The Non-Executive, Independent Directors of the Company are entitled for sitting fee as per the statutory provisions and the details of the same are provided in the Corporate Governance Report.

For and on behalf of the Board
Hariom Pipe Industries Limited

Sd/-
Rupesh Kumar Gupta
Managing Director
(DIN: 00540787)

Sd/-
Sailesh Gupta
Wholetime Director
(DIN: 00540862)

Date: 10th August 2023
Place: Hyderabad

Annexure V

Annual Report on Corporate Social Responsibility (CSR) Activities

(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)

1. Brief outline on CSR Policy of the Company, including overview of projects / programmes undertaken:

In accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021, Hariom Pipe Industries Limited ("the Company or HPIL") has formulated its CSR Policy duly approved by the Board of Directors of the company. CSR is essentially a way of conducting business responsibly and HPIL shall endeavor to conduct its business operations and activities in a socially responsible and sustainable manner at all times. HPIL will strive to contribute to inclusive growth and sustainable development with emphasis on development of weaker sections of society.

The Company's social responsibility policy focuses on using the capabilities of business to improve lives and contribute to sustainable living, through contributions to local communities and society at large

The Company undertook various activities during the year under review in line with its CSR Policy and as prescribed in Schedule VII to the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Rupesh Kumar Gupta	Chairman/Managing Director	1	1
2.	Sailesh Gupta	Member/Wholetime Director	1	1
3.	Pramod Kapoor Kumar	Member /Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web-link is as follows:

The composition of the CSR Committee: <https://www.hariompipes.com/pdf/composition-of-various-committees-of-board-of-directors.pdf>.

CSR Policy: <https://www.hariompipes.com/pdf/policies/CSR-Policy.pdf>.

CSR Projects as approved by the Board: NA

4. Provide 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:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	12,56,665	Nil
2.	2021-22	25,577	Nil

6. Average net profit of the company as per section 135(5): ₹ 25,17,35,059 /-

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 50,34,701 /-

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

(c) Amount required to be set off for the financial year, if any: Nil

8. (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 50,34,701 /-

9. (a) CSR amount spent or unspent for the financial year: ₹ 50,38,932 /-

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ In lakhs)				
	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
50.39	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(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
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year: (In ₹)

(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. State	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Name	CSR registration number
1.	NA	Education	Yes	Telangana	9,56,718	Yes	-	-
2.	NA	Animal Welfare	Yes	Telangana	16,22,574	Yes	-	-
3.	NA	Children Welfare	Yes	Telangana	29,000	Yes	-	-
4.	NA	Ensuring environmental sustainability	Yes	Telangana	2,00,000	Yes	-	-
5.	NA	Health Care	Yes	Telangana	22,30,640	Yes	-	-

(d) Amount spent in Administrative Overheads: Nil
(e) Amount spent on Impact Assessment, if applicable: Nil
(f) Total amount spent for the Financial Year (9b+9c+9d+9e): ₹ 50,38,932/-
(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	50,34,701
(ii)	Total amount spent for the Financial Year	50,38,932
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4,231
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4,231

10. (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	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

11. 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

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Not Applicable

SD/-
Rupesh Kumar Gupta
 Chairman of the Committee

REPORT ON CORPORATE GOVERNANCE

Introduction:

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in terms of Regulation 34 read with Chapter IV and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the report contains the details of Corporate Governance systems and processes at Hariom Pipe Industries Limited (HPIL).

Company's Philosophy on Corporate Governance:

Your Company is committed to sound principles of Corporate Governance with respect to all of its procedures, policies and practices. The governance processes and systems are continuously reviewed to ensure highest ethical and responsible standards being practiced by your Company. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to compliance with regulations and statutes in letter as well as spirit have enabled your Company to enhance shareholder value. In fact, this has become an integral part of the way the business is done.

Board of Directors:

(A) Composition of the Board:

The composition of the Board is in conformity with Regulation 17(1) of SEBI (LODR) Regulation, 2015. The composition of Board of Directors as on 31st March 2023 is as follows:

S. No.	Name of the Director	Designation	Category
1.	Pramod Kapoor Kumar	Chairman and Independent Director	Non-Executive and Independent
2.	Rupesh Kumar Gupta	Managing Director	Executive and Promoter
3.	Sailesh Gupta	Whole Time Director	Executive and Promoter
4.	Sunita Gupta	Non-Executive Director	Non-Executive and Promoter
5.	Rajender Reddy Gankidi	Independent Director	Non-Executive and Independent
6.	Soumen Bose ¹	Independent Director	Non-Executive and Independent
7.	Sneha Sankla ²	Independent Director	Non-Executive and Independent

¹ Appointed as Additional Independent Director by the Board on 10th June 2022 and Appointed as Independent Director by the members vide resolution passed in their Annual General Meeting held on 09th September 2022.

² Appointed as Additional Independent Director by the Board on 14th November 2022 and Appointed as Independent Director by the members vide resolution passed through postal ballot on 08th February 2023.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Board as part of its succession planning exercise periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

(B) Details of Directors and their attendance records for the Board Meetings and annual general meeting held during the FY 2022-23:

S. No.	Name of the Director	Category	Attendance at Board Meetings		Attendance at the last Annual General Meeting held on 09 th September 2022
			Number of Board Meetings held/ eligible to attend	Number of Board Meetings attended	
1.	Pramod Kapoor Kumar	Chairman and Non-Executive Independent Director	9	7	Yes
2.	Rupesh Kumar Gupta	Managing Director	9	9	Yes
3.	Sailesh Gupta	Whole Time Director	9	9	Yes
4.	Sunita Gupta	Non-Executive Director	9	5	Yes
5.	Rajender Reddy Gankidi	Non-Executive Independent Director	9	9	Yes
6.	Soumen Bose ¹	Non-Executive Independent Director	5	4	No
7.	Sneha Sankla ²	Non-Executive Independent Director	3	3	No
8.	Shanti SreeBolleni ³	Non-Executive Independent Director	5	5	Yes

¹ Appointed as Additional Independent Director by the Board on 10th June 2022 and Appointed as Independent Director by the members vide resolution passed in their Annual General Meeting held on 09th September 2022.

² Appointed as Additional Independent Director by the Board on 14th November 2022 and Appointed as Independent Director by the members vide resolution passed through postal ballot on 08th February 2023.

³ Resigned w.e.f 15th October 2022 as Independent Director of the Company.

(C) Number of other Boards or committees in which a Director is a Member or Chairperson and names of Listed Entities where a person is a Director:

S. No.	Name of the Director	Number of other Directorships	Chairmanship in committees of Board*	Membership in committees of Board*	Names of the listed entities in which Directorship is held (Category of Directorship)
1.	Pramod Kapoor Kumar	-	-	-	-
2.	Rupesh Kumar Gupta	1	-	-	-
3.	Sailesh Gupta	-	-	-	-
4.	Sunita Gupta	1	-	-	-
6.	Rajender Reddy Gankidi	-	-	-	-
7.	Soumen Bose	-	-	-	-
8.	Sneha Sankla	-	-	-	-

The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Act and the Listing Regulations.

(D) Number of meetings of the Board of Directors held and dates on which held

During the FY 2022-23, the Board of Directors met Nine times on the following dates:

S. No.	Date of the Board Meeting
1.	07 th April 2022
2.	08 th April 2022
3.	06 th May 2022
4.	10 th June 2022
5.	10 th August 2022
6.	14 th November 2022
7.	03 rd January 2023
8.	25 th January 2023
9.	10 th February 2023

The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

(E) Disclosure of relationships between Directors

Mrs. Sunita Gupta, Non-Executive Director of the company is the mother of Mr. Rupesh Kumar Gupta, Managing Director and Mr. Sailesh Gupta, Whole Time Director.

Mr. Rupesh Kumar Gupta, Managing Director and Mr. Sailesh Gupta, wholetime Director are brothers.

Except the above mentioned, none of the Directors of the Company are related to any other Director of the Company.

(F) Number of shares and convertible instruments held by Non-Executive Directors as on 31st March 2023:

S. No.	Name of the Director	Designation	No. of Equity Shares held	No. of Convertible Warrants held
1.	Pramod Kapoor Kumar	Chairman and Independent Director	NIL	NIL
2.	Sunita Gupta	Non-Executive Director	10,75,720	NIL
3.	Rajender Reddy Gankidi	Independent Director	NIL	NIL
4.	Soumen Bose	Independent Director	NIL	NIL
5.	Sneha Sankla	Independent Director	NIL	5,000

(G) Web link where details of familiarisation programmes imparted to Independent Directors is disclosed:

<https://www.hariompipes.com/investor-relations-details-of-familiarization-programmes.php>

(H) Core Skills / Expertise / Competencies of the Board of Directors:

The Board comprises qualified and experienced members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Strategy and Transformation
- Sales/ Marketing
- Finance
- Corporate Governance
- Leadership
- Legal/ Regulatory and Risk Management

The table below summarizes the skills, expertise and competencies possessed by the Board of Directors of the Company:

Name of the Director	Skills/ Expertise/ Competencies					
	Strategy & Transformation	Sales/ Marketing	Finance	Corporate Governance	Leadership	Legal/ Regulatory and Risk Management
Pramod Kapoor Kumar	✓	-	✓	✓	✓	✓
Rupesh Kumar Gupta	✓	✓	✓	✓	✓	✓
Sailesh Gupta	✓	✓	-	✓	✓	-
Sunita Gupta	✓	-	-	-	-	✓
Rajender Reddy Gankidi	✓	-	✓	✓	✓	✓
Soumen Bose	✓	✓	✓	✓	✓	✓
Sneha Sankla	✓	-	-	✓	-	✓

(I) Confirmation on Independent Directors:

- All Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. Based on the declarations submitted by the Independent Directors, Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the Management.
- Independent Directors have also confirmed of having complied with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, by including/ registering their names in the data bank of Independent Directors maintained with Indian Institute of Corporate Affairs.

(J) Detailed reasons for the resignation of an Independent Director:

- Mrs. Shanti Sree Bolleni (DIN: 07092258), vide her letter dated 15th October 2022 has tendered her resignation as Non-Executive – Independent Director of the Company with effect from the close of business hours of 15th October 2022. The reason for her resignation was “due to professional and other pre-occupations”.
- Mrs. Shanti Sree Bolleni in her resignation letter has also confirmed that there are no other material reasons for her resignation other than those mentioned above.

Audit Committee:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013, as applicable along with other terms as referred by the Board of Directors.

(A) Brief Description of terms of Reference

1. Oversight of the listed entity’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements/quarterly financial statements and auditor’s report thereon before submission to the board for approval.
5. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
6. Reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process
7. Approval or any subsequent modification of transactions of the listed entity with related parties
8. Scrutiny of inter-corporate loans and investments
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary
10. Evaluation of internal financial controls and risk management systems

11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
17. To review the functioning of the whistle blower mechanism
18. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
19. Carrying out any other function as is mentioned in the terms of reference of the audit committee

(B) Composition, name of members and Chairperson

S. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Rajender Reddy Gankidi*	Independent Director	Chairman
2.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Member
3.	Mr. Soumen Bose**	Independent Director	Member
4.	Mrs. Shanti Sree Bolleni***	Independent Director	Chairperson

* Appointed as Chairman of the Committee on 17th October 2022

** Appointed as member of the Committee on 17th October 2022.

*** Resigned w.e.f 15th October 2022 as Independent Director of the Company.

Mr. Chirag Partani, Company Secretary and Compliance officer of the Company acts as the Secretary to the Audit Committee.

(C) Meetings and attendance during the year

The Audit Committee met seven times during the year under review on 06th May 2022, 10th August 2022, 20th October 2022, 14th November 2022, 03rd January 2023, 25th January 2023 and 10th February 2023. The necessary quorum was present for all the meetings.

Details of attendance of the committee members at the meetings of the Audit Committee held during the year are given below:

S. No.	Date(s) of the Audit Committee Meeting	Name and Designation of Committee Members			
		Mr. Rajender Reddy Gankidi (Chairman)*	Mr. Pramod Kumar Kapoor (Member)	Mr. Soumen Bose (Member)**	Mrs. Shanti Sree Bolleni (Chairperson)***
1.	06 th May 2022	✓	LOA	-	✓
2.	10 th August 2022	✓	LOA	-	✓
3.	20 th October 2022	✓	✓	✓	-
4.	14 th November 2022	✓	✓	✓	-
5.	03 rd January 2023	✓	✓	✓	-
6.	25 th January 2023	✓	✓	LOA	-
7.	10 th February 2023	✓	✓	✓	-

✓ – Attended LOA – Leave of Absence

* Appointed as Chairman of the Committee on 17th October 2022

** Appointed as member of the Committee on 17th October 2022.

*** Resigned w.e.f 15th October 2022 as Independent Director of the Company.

In pursuance, to Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of the Audit Committee possess financial /accounting expertise / exposure.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management

(A) Brief description of terms of reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(B) Composition, Name of members and Chairperson

S. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Rajender Reddy Gankidi	Independent Director	Chairman
2.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Member
3.	Mr. Soumen Bose*	Independent Director	Member
4.	Mrs. Shanti Sree Bolleni**	Independent Director	Member

* Appointed as member of the Committee on 17th October 2022.

** Resigned w.e.f 15th October 2022 as Independent Director of the Company.

Mr. Chirag Partani, Company Secretary and Compliance officer of the Company acts as the Secretary to the Nomination and Remuneration Committee.

(C) Meeting and attendance during the year

The Nomination and Remuneration Committee met Four times during the year under review on 10th June 2022, 10th August 2022, 14th November 2022 and 03rd January 2023 The necessary quorum was present for all the meetings.

Details of attendance of the committee members at the meetings of the Nomination and Remuneration Committee held during the year are given below:

S. No.	Date(s) of the Audit Committee Meeting	Name and Designation of Committee Members			
		Mr. Rajender Reddy Gankidi (Chairman)*	Mr. Pramod Kumar Kapoor (Member)	Mr. Soumen Bose (Member)**	Mrs. Shanti Sree Bolleni (Chairperson)***
1.	10 th June 2022	✓	✓	-	✓
2.	10 th August 2022	✓	LOA	-	✓
3.	14 th November 2022	✓	✓	✓	-
4.	03 rd January 2023	✓	✓	✓	-

✓ – Attended LOA – Leave of Absence

*Appointed as member of the Committee on 17th October 2022.

**Resigned w.e.f 15th October 2022 as Independent Director of the Company.

(D) Performance Evaluation Criteria for Independent Directors

Pursuant to the provisions of the Act and the Listing Regulations, Company has put in place the criteria for annual evaluation of performance of Chairperson, Individual Directors (Independent and Non-Independent), Board Level Committees and the Board as a whole.

During the year under review, Board evaluated the effectiveness of its functioning and that of Committees and of Individual Directors (Independent and Non-Independent) by seeking their inputs on various aspects of Board/ Committee Governance. Performance evaluation was made on the basis of structured questionnaire considering the indicative criteria as prescribed by the Evaluation Policy of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the director being evaluated.

The Independent Directors of the Company are evaluated based on various criteria such as Qualifications, Experience, Knowledge and Competency, Fulfilment of functions, Ability to function as a team, Initiative, Availability and attendance, Commitment, Contribution, Integrity, Independence and Independent views and judgement.

Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations, 2015 and Section 178 of the Companies Act, 2013.

(A) Name of the Non-Executive Director heading the committee:

Stakeholders' Relationship Committee is headed by Mr. Pramod Kumar Kapoor, Non-Executive and Independent Director of the Company.

Composition of the Stakeholders' Relationship Committee is as follows:

S. No.	Name of the Director	Designation of the Director	Position in the Committee
1.	Mr. Pramod Kumar Kapoor	Chairman and Independent Director	Chairman
2.	Mr. Soumen Bose*	Independent Director	Member
3.	Mr. Rajender Reddy Gankidi	Independent Director	Member
4.	Mrs. Shanti Sree Bolleni**	Independent Director	Member

* Appointed as member of the Committee on 17th October 2022.

** Resigned w.e.f 15th October 2022 as Independent Director of the Company.

Mr. Chirag Partani, Company Secretary and Compliance officer of the Company acts as the Secretary to the Stakeholders Relationship Committee.

(B) Number of Shareholders' Complaints received during the financial year: NIL

(C) Number of Complaints not solved to the satisfaction of shareholders: NIL

(D) Number of pending complaints: NIL

Risk Management Committee:

As Per Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of Risk Management Committee shall be applicable to top 1,000 listed entities, determined on the basis of market capitalisation as at the end of the immediate preceding financial year and a high value debt listed entity. Your Company does not fall under the provisions, so the same is not applicable for the FY 2022-23.

Senior Management:

The following persons forms part of Senior Management of the Company.

S. No.	Name	Designation
1.	Rupesh Kumar Gupta	Managing Director
2.	Sailesh Gupta	Wholetime Director
3.	Amitabha Bhattacharya	Chief Financial Officer
4.	Chirag Partani	Company Secretary & Compliance officer
5.	Ashish Agarwal	Marketing Head
6.	Anand Kumar Joshi.D	GM-HR & Admin.

There is no change in the Senior management of the Company since the close of the previous financial year.

Remuneration paid/payable to executive directors:

The remuneration paid / payable to Executive Directors for the FY 2022-23 are in accordance with the approval of the Board and Members and is subject to the limits prescribed under the Act and Nomination and Remuneration Policy of the Company:

S. No.	Name of Director	Designation	Salary	Commission	Bonus	Other benefits
1.	Rupesh Kumar Gupta	Managing Director	1,80,00,000	-	-	-
2.	Sailesh Gupta	Whole Time Director	1,44,00,000	-	-	-

Note:

- Company does not have performance linked incentive plan for directors.
- No severance fee is paid/payable to any of the directors.
- All the directors are entitled to reimbursement of reasonable expenses incurred during the performance of their duty as a director.

Service Contract and Notice Period:

Mr. Rupesh Kumar Gupta was appointed as a Managing Director of the Company for a period of Three years from 08th January 2018 to 07th January 2021 at a remuneration of ₹ 14,40,000/- per annum vide Shareholders resolution 08th January 2018. Further his remuneration was revised to ₹ 60,00,000 Per Annum w.e.f 01st April 2018 for remaining tenure as Managing Director vide shareholders resolution dated 31st March 2018.

Further he was reappointed for a period of three years from 08rd January 2021 to 07th January 2024 at a remuneration of ₹ 1,80,00,000/- per annum vide shareholders resolution dated 30th December 2020. Post that his remuneration was increased to ₹ 15,00,000 per month with a commission of 2.5% of net profit w.e.f from 01st October 2022 for his remaining tenure as Managing Director vide shareholders resolution dated 09th September 2022.

Remuneration of Directors:

(A) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity:

Remuneration to Non-Executive Directors for the FY 2022-23:

The Non-Executive Directors of the Company are paid remuneration by way of sitting fees. The travel expenses for attending Meetings of the Board of Directors or a Committee thereof, for site visits and other related expenses incurred by the Independent Directors from time to time are borne by the Company. The criteria of making payment to Non-Executive Directors is displayed on the website of the Company.

S. No.	Name of the Director	Designation	Sitting fees
1.	Mr. Pramod Kumar Kapoor	Chairman & Independent Director	2,40,000
2.	Mrs. Shanti SreeBolleni*	Independent Director	1,07,500
3.	Mr. Rajender Reddy Gankidi	Independent Director	3,02,500
4.	Mrs. Sunita Gupta	Non-executive Director	90,000
5.	Mr. Soumen Bose	Independent Director	1,75,000
6.	Mrs. Sneha Sankla	Independent Director	60,000

* Resigned from Board and Committees w.e.f 15th October 2022.

Mr. Sailesh Gupta was appointed as a Whole time Director of the Company for a period of Three years from 08th January 2018 to 07th January 2021 at a remuneration of ₹ 14,40,000/- per annum. Further his remuneration was revised to ₹ 60,00,000 Per Annum w.e.f 01st April 2018 for remaining tenure as Whole time Director vide shareholders resolution dated 31st March 2018.

Further he was reappointed for a period of three years from 08th January 2021 to 07th January 2024 at a remuneration of ₹ 1,44,00,000/- per annum vide shareholders resolution dated 30st December 2020. Post that his remuneration was increased to ₹ 12,00,000 per month with a commission of 2.5% of net profit w.e.f from 01st October 2022 for his remaining tenure as Wholetime Director vide Shareholders resolution dated 09th September 2022.

The notice period for both as per companies policy is three months.

General Body Meetings:

(A) Information of last three Annual General Meetings (AGM's) Held:

Financial Year	Meeting	Venue	Date & Time	Special Resolution Passed
2021-22	15 th AGM	Hotel Inner Circle Situated At Namita Road, Saboo Heights, 6-3-905, Raj Bhavan Rd, Matha Nagar, Somajiguda, Hyderabad, 500082-Telangana	09 th September 2022 at 10.30am (IST)	Special Resolution was passed for: <ol style="list-style-type: none"> 1. Appointment of Mr. Soumen Bose (DIN: 09608922) as an Independent Director of the Company. 2. Re-appointment of Mr. Pramod Kumar Kapoor (DIN: 03557358) as Chairman and Independent Director of the Company. 3. Increase in remuneration payable to Mr. Rupesh Kumar Gupta, Managing Director of the Company. 4. Increase in remuneration payable to Mr. Sailesh Gupta, Wholetime Director of the Company.
2020-21	14 th AGM	At the Registered office of the Company situated at 3-4-174/12/2, 1 st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur, Hyderabad 500048 – Telangana	14 th September 2021 at 11.00am (IST)	Special Resolution was passed for Issuance of shares through IPO.
2019-20	13 th AGM	At the Registered office of the Company situated at 3-4-174/12/2, 1 st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur, Hyderabad 500048 – Telangana	30 th December 2020 At 04.00 pm (IST)	Special Resolution was passed for <ol style="list-style-type: none"> 1. To approve appointment and remuneration of Mr. Rupesh Kumar Gupta (DIN: 00540787) as Managing Director of the Company. 2. To approve appointment and remuneration of Mr. Sailesh Gupta (DIN: 00540862) as Wholetime Director of the Company.

(B) Special resolutions passed last year through postal Ballot – details of Voting Pattern:

The Company has passed the below mentioned Special Resolutions through Postal ballot dated 08th February 2023:

1. Appointment of Mrs. Sneha Sankla (DIN: 02849733) as an Independent Director.
2. Increase in the Borrowing Powers of the Company.
3. Creation of charge on movable and immovable properties of the company, both present and future, in respect of borrowings.

Details of voting pattern for the above-mentioned resolution is as follows:

Item No. 1: Appointment of Mrs. Sneha Sankla (DIN: 02849733) as an Independent Director:

Particulars	Number of Valid		Percentage (%)
	Voters (via e-voting)	Votes (via e-voting)	
Assent	132	1,10,69,549	99.9962%
Dissent	6	427	0.0038%
Total	138	1,10,69,976	100.0000%

Item No. 2: Increase in the borrowing powers of the company:

Particulars	Number of Valid		Percentage (%)
	Voters (via e-voting)	Votes (via e-voting)	
Assent	126	1,10,69,196	99.9930%
Dissent	13	781	0.0070%
Total	139	1,10,69,977	100.0000%

Item No. 3: Creation of charge on movable and immovable properties of the Company, both present and future, in respect of borrowings:

Particulars	Number of Valid		Percentage (%)
	Voters (via e-voting)	Votes (via e-voting)	
Assent	124	1,10,69,275	99.9937%
Dissent	15	702	0.0063%
Total	139	1,10,69,977	100.0000%

The aforesaid resolutions as contained in the Notice of Postal Ballot dated 03rd January 2023 were passed with requisite majority.

(C) Person who conducted the postal ballot exercise:

Mr. Vinod Sakaram Partner of M/s VSSK & Associates was appointed as the Scrutiniser for the Postal ballot exercise and they have Issued their report for the same on 09th February 2023.

(D) Whether any special resolution is proposed to be conducted through postal ballot:

No special resolution is currently proposed to be conducted through postal ballot.

(E) Procedure for postal ballot:

Pursuant to Section 108 and 110 of the Companies Act, 2013 (“Act”) and Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the “Postal Ballot Rules”) read with the General Circular no. 14/2020 dated 08th April 2020 and 17/2020 dated 13th April 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December 2020 read with other relevant circulars, including General Circular No. 10/2021 dated 23rd June 2021, General Circular no.20/2021 dated 08th December 2021 and General Circular no.3/2022 dated 05th May 2022 and General Circular No. 11/2022 dated 28th December 2022 issued by the Ministry of Corporate Affairs, in view of the COVID-19 pandemic (hereinafter collectively referred to as “MCA Circulars”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification or re-enactment thereof for the time being in force and as amended from time to time), the resolutions are proposed to be passed through Postal Ballot by way of voting through electronic means (“remote e-voting”) only.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, the MCA Circulars and SS-2, the Company has provided remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. The Company has engaged the services of **Central Depository Services (India) Limited (‘CDSL)** for the purpose of providing remote e-voting facility to its Members.

On account of the threat posed by COVID-19 and in terms of the requirements specified in the MCA Circulars, the Notice of Postal ballot were sent only in electronic form to those Members whose e-mail addresses are registered with the Company/Depositories.. The communication of the assent or dissent of the Members only took place through the remote e-voting system.

The Scrutinizer, after the completion of scrutiny, submitted his report to Mr. Pramod Kumar Kapoor, Chairman. The results of the remote e-voting were then announced on 09th February 2023 and were also made available on the Company’s website at www.hariompipes.com besides being communicated to BSE Limited, National Stock Exchange of India Limited (Stock exchanges) and CDSL.

MEANS OF COMMUNICATION:

1. Financial Results and newspapers wherein the results are published:

The quarterly audited/unaudited financial results are announced within the time prescribed under the SEBI (LODR). The results are published in leading newspapers like Business Line (English) All India Edition, Economic Times (English) All India Edition, Surya (Telugu) Hyderabad - Local. The financial results are also hosted on the Company’s website at <https://www.hariompipes.com/investor-relations-results.php> and also has been submitted to the stock exchanges BSE Limited and National Stock Exchange of India Limited.

2. News Releases

Official press releases was also released by the company and the same has been hosted on the website of stock exchanges and on the website of the company.

3. Website

The Company’s website <https://www.hariompipes.com/> provides a separate section for investors where relevant member information is available. The Annual Report of the Company is also hosted on the Company’s website.

4. Annual Report

The Annual Report is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Corporate Governance Report forms part of the Annual Report.

5. SCORES (SEBI Complaints Redressal System)

SEBI has provided a centralised web-based complaints redressal system named, SCORES, through which an investor can lodge complaint(s) against a Company for his grievance.

6. Green Initiative – Service of Documents in Electronic Form

The provisions of the Companies Act, 2013 and rules made thereunder permit paperless communication by allowing service of all documents in electronic mode. Further, the Ministry of Corporate Affairs (MCA) as well as the SEBI, in view of the ongoing COVID-19 Pandemic, has permitted that all communication to members may be served electronically. In compliance thereof, the Company has adopted the practice of sending communications, including Annual Report, through email to those members whose email id is available as per registered records.

General Shareholder Information:

Annual General Meeting - Date, Time and Venue	Date: 22 nd September 2023 Time: 11:30 A.M (IST) Deemed Venue: Registered office 3-4-174/12/2, 1 st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur
Financial Year	April - March
Dividend Payment Date	No Dividend is being declared/paid for the FY 2022-23.
Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	1. Name: BSE Limited (BSE) Address: PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001 2. Name: National Stock Exchange of India Limited (NSE) Address: Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. The Company has paid listing fees in respect of its listed securities to both the stock exchanges.
Stock Code	NSE Symbol – HARIOMPIPE BSE Scrip Code – 543517

Market price data – high, low during each month in last financial year:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-2022	247.65	191.15	245.00	193.05
May-2022	231.35	169.35	230.80	169.10
Jun-2022	216.30	180.05	216.55	180.00
Jul-2022	226.05	187.60	226.00	187.95
Aug-2022	287.75	203.50	287.90	206.50
Sep-2022	305.70	246.75	305.50	247.05
Oct-2022	296.80	248.05	298.20	248.25
Nov-2022	336.50	260.10	336.65	260.00
Dec-2022	403.00	290.75	403.55	290.00
Jan-2023	412.15	330.00	412.70	329.80
Feb-2023	443.35	387.00	443.20	386.50
Mar-2023	507.70	400.95	507.85	401.05

Performance in comparison to broad-based indices such as BSE Sensex and NIFTY 50:

Performance of share price of the Company in comparison to BSE Sensex:

Month	BSE SENSEX Closing Price (₹)	Closing Price of HPIL Shares at BSE (₹)
Apr-2022	57,060.87	219.25
May-2022	55,566.41	205.10
Jun-2022	53,018.94	191.50
Jul-2022	57,570.25	223.85
Aug-2022	59,537.07	274.30
Sep-2022	57,426.92	257.20
Oct-2022	60,746.59	277.95
Nov-2022	63,099.65	316.25
Dec-2022	60,840.74	359.35
Jan-2023	59,549.9	398.80
Feb-2023	58,962.12	400.95
Mar-2023	58,991.52	473.90

BSE SENSEX VS Hariom Pipe Industries Limited (HPIL) Share Price during FY 2022-23



Performance of share price of the Company in comparison to Nifty 50:

Month	NIFTY Closing Price (₹)	Closing Price of HPIL Shares at NSE (₹)
Apr-2022	18,053.40	219.60
May-2022	17,069.10	202.00
Jun-2022	16,628.00	191.45
Jul-2022	17,158.25	223.25
Aug-2022	17,956.50	273.90
Sep-2022	18,070.05	257.30
Oct-2022	18,012.20	278.55
Nov-2022	18,758.35	316.30
Dec-2022	18,812.50	359.60
Jan-2023	18,232.55	398.25
Feb-2023	18,035.85	401.05
Mar-2023	17,754.40	478.65

NSE NIFTY VS Hariom Pipe Industries Limited (HPIL) Share Price during FY 2022-23



Confirmation on no suspension:

The Equity Shares of the Company were not suspended from trading at any time during the financial year ended 31st March 2023.

Registrar to an issue and share transfer agents

Bigshare Services Private Limited

Address: 306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital, Raj Bhavan Rd, Somajiguda,
Hyderabad, Telangana 500082.
Phone No.: 040 - 040 4014 4967
E-mail: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

Share Transfer System

Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_TAMB/P/CIR/2022/8 dated 25th January 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. In terms of amended Regulation 40 of Listing Regulations, SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form.

Share transfer and related operations for the Company, is conducted by M/s. Bigshare Services Private Limited (RTA) which is registered with SEBI as a Category 1 registrar.

Distribution of shares and shareholding pattern as on 31st March 2023:

Shareholding of Nominal Value (₹)	Number of Shareholders	Percent of total Shareholders (%)	Number of Shares	Percentage (%)
1 – 5,000	29,585		1,621,877	
5,001 – 10,000	515		405,516	
10,001 – 20,000	256		391,817	
20,001 – 30,000	112		285,305	
30,001 – 40,000	47		164,266	
40,001 – 50,000	40		190,586	
50,001 – 100,000	46		371,013	
100,001 and above	104		24,185,249	
Total	30,705		27,615,629	

Sr. No.	Shareholders Category	Number of Shareholders	Percent of total Shareholders (%)	Number of Shares	Percentage (%)
1.	Alternate Investment Fund	1	0.00	50,000	0.18
2.	Clearing Member	33	0.11	34,747	0.13
3.	Corporate Bodies	84	0.27	2,395,325	8.67
4.	Corporate Bodies (Promoter Co)	2	0.01	2,001,109	7.25
5.	Directors Relatives	13	0.04	7,691,526	27.85
6.	Foreign Portfolio Investor (Corporate) – Category I	5	0.02	695,957	2.52
7.	Non-Resident Indian	311	1.01	105,689	0.38
8.	Promoters	2	0.01	7,130,069	25.82
9.	Proprietary Firm	1	0.00	1,179	0.00
10.	HUF	274	0.89	615,552	2.23
11.	Public	29,979	97.64	6,894,476	24.97
	Total	30,705	100.00	27,615,629	100.00

Dematerialisation Of Shares And Liquidity

2,76,15,629 Equity Shares of ₹ 10/- each as on 31st March 2023 were in dematerialized form. Company has connectivity with both Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services(India) Limited (CDSL).

The Companies Equity Shares got listed on 13th April 2022 on the trading platform of National Stock Exchange of India Limited and BSE Limited (Stock Exchanges). The Shares are traded freely except those shares which are under lock-in.

Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

During the year under review, pursuant to the approval accorded by the members, at their Extraordinary General Meeting held on 20th February 2023 and the In Principle approval received from National Stock Exchange of India Limited and BSE Limited, the Board of Directors of the Company, on 31st March 2023, allotted 33,48,125 (Thirty Three lakhs Forty Eight Thousand One Hundred and Twenty Five) Convertible Warrants at an issue price of ₹ 345/- (Rupees Three Hundred and Forty Five only) each per Warrant aggregating up to ₹ 1,15,51,03,125/- (Rupees One Hundred and Fifteen Crores Fifty One lakhs Three Thousand One hundred and Twenty Five only) to certain persons belonging to Promoter and public category with a right to Warrant Holder to apply for and get allotted one equity share of face value of ₹ 10/- (Rupees Ten only) each per Warrant. The warrants allotted can be converted into equity shares within a period of eighteen months from the date of allotment of warrants.

The Shareholding Pattern assuming full conversion of the outstanding convertible warrants is given below:

Sr. No.	Shareholders Category	Shareholding as on 31 st March 2023		Shareholding assuming full conversion of outstanding warrants	
		Shares held	% of total shares	Shares held	% of total shares
1.	Promoters & Promoter Group	1,68,22,704	60.92	1,76,97,704	57.16
2.	Public	1,07,92,925	39.08	1,32,66,050	42.84
Total		2,76,15,629	100	3,09,63,754	100

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November 2018.

Plant Locations:

UNIT-I Survey. No.58/62/63 situated at Sheriguda Village, Peddaiahpally, Balanagar Mandal, Mahabubnagar District, Telangana – 509202.	UNIT-II Survey No. 98, D. Hirehal Village and Mandal, Anantapur District, Andhra Pradesh – 515872.
UNIT- III Plot No. B-15 TO B-28, Sipcot Industrial area, Sipcot Indl Growth Centre, Perundurai, Perundurai Taluk , Erode District, Tamilnadu – 638052	

Address for Correspondence:

Particulars	Contact details	Address
For Corporate Governance and other secretarial matters	Mr. ChiragPartani Compliance Officer/Company Secretary Email: cs@hariompipes.com Phone No: 040-24016101	3-4-174/12/2, 1 st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur Hyderabad – 500048, India
For share transfer, transmission, National Electronic Clearing Service, dividend, dematerialisation, etc.	Registrar and Share Transfer Agent (RTA): Mr. M M N Mohan Phone No: 040 40144582 Email: bsshyd@bigshareonline.com	306, Right Wing, 3 rd Floor, AmruthaVille, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, India

Credit Rating

During the financial year ended 31st March 2023, the Company obtained credit ratings from CRISIL Ratings Limited for its bank loan facilities, details of which are given below:

S. No.	Instrument Type	Previous Rating	Current Rating	Rating Agencies
1.	Long Term Borrowings	CRISIL BBB+/Stable	CRISIL A-/Stable	CRISIL Ratings Limited
2.	Short Term Borrowings	CRISIL A2	CRISIL A2+	CRISIL Ratings Limited

Other Disclosures:

(A) Disclosure of Related Party Transactions

Transactions entered into with related parties during FY 2022-23 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee/ Members. The details of Related party transactions during the FY 2022-23 are mentioned in **Annexure- II** to the Boards report.

(B) Details of Non-Compliance by the Listed Entity, Penalties, Strictures Imposed on the Listed Entity By Stock Exchange(s) or the Board or any Statutory Authority, on any Matter Related to capital markets, during the last three years:

There were no instances of non-compliances, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

(C) Whistle Blower Policy/Vigil Mechanism

The Company has a Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee.

(D) Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements;

As on 31st March 2023, all mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing regulations are as under:

Modified Opinion(s) in Audit Report: The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee.

(E) Web Link where policy for Determining 'Material' Subsidiaries is Disclosed:

The Company does not have any Subsidiary hence there is no policy on determination of Material Subsidiary.

(F) Web link where policy for dealing with Related Party Transactions:

Company has uploaded policy on dealing with related party transactions and other applicable policies at the link <https://www.hariompipes.com/investor-relations-policies-new.php>

(G) Disclosure of Commodity Price Risks and Commodity Hedging Activities:

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk.

(H) Details of Utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as Specified Under Regulation 32 (7A).

The members of the Company in their meeting held on 20th February 2023 has approved the Issue of 21,44,000 Equity Shares of ₹ 10/- at a price of ₹ 345/- per Share and 33,71,000 Convertible Warrants at a price of ₹ 345/- per warrant.

The Company received the in-principal approval from the Stock exchanges i.e BSE Limited and National Stock Exchange of India limited (NSE) on 24th March 2023 and 27th March 2023 respectively for issue and allotment of 21,43,500 Equity shares of ₹ 10/- each and 33,69,500 Convertible Warrants.

The Company has allotted 21,39,425 Equity Shares of ₹ 10/- each and 33,48,125 Convertible Warrants on 31st March 2023. The Company has received Trading Approval with respect to 21,39,425 Equity Shares on 22nd May 2023 from both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India limited(NSE).

The Company has further allotted 2,750 Equity Shares of ₹ 10/- each and 7,500 Convertible Warrants on 06th April 2023 and the trading approval for 2,750 Equity Shares was received on 05th June 2023 from both the Stock Exchanges i.e BSE Limited and National Stock Exchange of India limited (NSE).

The amount raised by preferential issue will be used by the Company to meet the working capital requirements of the Company.

During the period under review, there has been no deviation or variation in the utilization of the proceeds of the preferential issue.

(I) A Certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been Debarred or Disqualified from being Appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:

A certificate from a Company Secretary in practice confirming that none of the directors are disqualified or debarred from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other authority is provided in **Annexure I** which forms part of this Corporate Governance Report.

(J) ACCEPTANCE OF RECOMMENDATIONS OF COMMITTEES:

During the FY 2022-23, the Board of Directors has accepted all the recommendations of the committees of the Board.

(K) Total fees for all services paid by the Listed Entity and its Subsidiaries, on a Consolidated Basis, to the Statutory Auditor and all entities in the Network Firm/Network Entity of which the Statutory Auditor is a part.

The total fees for all the Services paid by the Listed Company to the Statutory Auditor is ₹ 9.05 lakhs for the FY 2022-23.

(L) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

S. No.	Particulars	Number
1.	Number of complaints on Sexual harassment received during the year	Nil
2.	Number of Complaints disposed off during the year	Not Applicable
3.	Number of cases pending as on end of the Financial Year	Not Applicable

(M) Disclosure by Listed Entity and its Subsidiaries of 'Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are interested by name and amount'

There are no loans and advances given by the Company to firms/companies in which directors are interested during the FY 2022-23.

(N) Details of Material Subsidiaries of the Listed Entity; including the date and place of incorporation and the name and date of appointment of the Statutory Auditors of such subsidiaries

The Company doesn't have any Subsidiary Companies.

Disclosure of Non-Compliance with Corporate Governance Requirement

There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para(2) to (10) of the Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosure Related to part E of Schedule II

In addition to the compliance with mandatory requirements, the Company has also adopted and complied with the following non-mandatory requirements in terms of the SEBI Listing Regulations:

- Non-Executive chairperson is been appointed as the chairman of the Company.
- A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders is not applicable as the company was unlisted during the said period.
- The Company's financial statements are with unmodified audit opinion.
- The Company has appointed separate persons as Chairman and Managing Director. Appointed Chairman is a non executive director and not a relative to Managing Director as per the definition of the term "relative" defined under the Companies Act, 2013.
- The internal auditor reports directly to the Audit Committee of the Board.

The disclosures of the Compliance with Corporate Governance Requirements specified in regulation 17 to 27 and clauses (B) to (I) of Sub-Regulation (2) of Regulation 46.

S. No.	Particulars	Regulation	Brief Description of Regulation	Compliance Status (Yes / No/ NA)
1.	Board of Directors	17 (1)	Board Composition	Yes
		17 (2)	Meeting of Board of Directors	Yes
		17 (3)	Review of Compliance Reports	Yes
		17 (4)	Plans for orderly succession or appointments	Yes
		17 (5)	Code of Conduct	Yes
		17 (6)	Fees / Compensation	Yes
		17 (7)	Minimum Information to be placed before Board	Yes
		17 (8)	Compliance Certificate	Yes
		17 (9)	Risk Assessment and Management	Yes
		17 (10)	Performance evaluation	Yes

S. No.	Particulars	Regulation	Brief Description of Regulation	Compliance Status (Yes / No/ NA)
2.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of Committee and Review of information by the Committee	Yes
3.	Nomination and Remuneration Committee	19 (1) & (2)	Composition of Nomination & Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of Committee	Yes
4.	Stakeholders Relationship Committee	20 (1) ,(2) & (3)	Composition of Stakeholders Relationship Committee	Yes
		20 (4)	Role of Committee	Yes
5.	Risk Management Committee	21 (1), (2) & (3)	Composition and role of risk management committee	Yes*
		21(4)	Role of the Committee	Yes*
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7.	Related Party Transaction	23(1), (2), (3) (5), (6), (7), (8) & (9)	Policy for Related Party Transactions	Yes
		23 (2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transaction and review of Transaction by the Committee	Yes
		23(4)	Approval for material related party transactions	Yes
8.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of unlisted material subsidiary	NA
		24 (2), (3), (4), (5) & (6), 24(A)	Other corporate Governance requirements with respect to subsidiary of listed entity	NA
9.	Obligations with respect to Independent Directors	25 (1) & (2)	Maximum Directorship & Tenure	Yes
		25 (3)	Meeting of Independent Directors	Yes
		25 (4)	Review of Performance by the Independent Directors	Yes
		25 (7)	Familiarization of Independent Directors	Yes
		25 (8)	Declaration of Independence	Yes
10.	Obligations with respect to Directors and Senior Management	26 (1) & (2)	Memberships in committees	Yes
		26 (3)	Affirmations with compliance to Code of Conduct from members Board of Directors and Senior Management personnel	Yes
		26 (5)	Policy with respect to Obligations of Directors and Senior Management	Yes
11.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12.	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	NA
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes

* The Company has formed the Risk management Committee along with the policy on Risk Management on 30th May 2023.

CEO/CFO CERTIFICATE UNDER PROVISIO TO SUB REGULATION 2(A) OF REGULATION 33 AND REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To,
The Board of Directors,
Hariom Pipe Industries Limited

- A. I have reviewed the Financial Statements and the Cash Flow Statement of Hariom Pipe Industries Limited for the year ended 31st March 2023 and to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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 my knowledge and belief, no transactions entered into by the company during Quarter and Year ended 31st March 2023 which is fraudulent, illegal or violative of the company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken nor propose to take to rectifying these deficiencies.
- D. I have indicated to the Auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Hyderabad
Date: 30th May 2023

Sd/-
Rupesh Kumar Gupta
Managing Director
(DIN: 00540787)

Sd/-
Amitabha Bhattacharya
Chief Financial Officer



Declaration on code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel 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 financial year ended on 31st March, 2023 as envisaged in the Chapter IV of the Securities Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Hyderabad
Date: 10th August 2023

Sd/-
Rupesh Kumar Gupta
Managing Director
(DIN: 00540787)

Certificate by the Practicing Company Secretaries on Corporate Governance

To
The Members of
Hariom Pipe Industries Limited

We have examined the compliance of conditions of Corporate Governance by Hariom Pipe Industries Limited, for the year ended on 31st March 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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 and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance 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 **VSSK & Associates,**
Company Secretaries
Unique Code: P2015TL044700

CS Vinod Sakaram,
Partner
PCS: 8345
UDIN: A023285E000745237
PR: 1456/2021

Date: 04th August 2023
Place: Hyderabad

Certificate Under Schedule V(C)(10)(I) of SEBI (Listing Obligations and Disclosure Requirements), 2015

To
The Members of
Hariom Pipe Industries Limited

We, VSSK & Associates Practicing Company Secretaries, have examined the Company and Registrar of Companies records, books and papers of Hariom Pipe Industries Limited (CIN: L27100TG2007PLC054564) having its Registered Office at 3-4-174/12/2, 1st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur Hyderabad 500048 (the Company) as required to be maintained, under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on 31st March 2023.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the Company, its officers and agents, we certify that none of the following Directors of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on 31st March 2023:

S. No.	Name of the Director	Designation	DIN
1.	Pramod Kapoor Kumar	Chairman and Independent Director	03557358
2.	Rupesh Kumar Gupta	Managing Director	00540787
3.	Sailesh Gupta	Whole Time Director	00540862
4.	Sunita Gupta	Non-Executive Director	02981707
5.	Sneha Sankla	Independent Director	02849733
6.	Rajender Reddy Gankidi	Independent Director	09165223
7.	Soumen Bose	Independent Director	09608922

For **VSSK & Associates,**
Company Secretaries.,
Unique Code: P2015TL044700

CS Vinod Sakaram,
Partner
PCS: 8345
UDIN: A023285E000745226
PR: 1456/20

Date: 04th August 2023
Place: Hyderabad

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Sr. No	Disclosures	Data/description
Details of the company		
1	Corporate Identity Number (CIN) of the Listed Entity	L27100TG2007PLC054564
2	Name of the Listed Entity	HARIOM PIPE INDUSTRIES LIMITED
3	Year of incorporation	2007
4	Registered office address	3-4-174/12/2, 1 st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur Hyderabad TG 500048 INDIA
5	Corporate address	3-4-174/12/2, 1 st Floor, Samarpan, lane beside Spencer's Pillar No. 125, At tapur tapur Hyderabad TG 500048 INDIA
6	E-mail	cs@hariompipes.com
7	Telephone	+91 040 - 24016101
8	Website	www.hariompipes.com
9	Financial year for which reporting is being done	April 01, 2022 to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	a) BSE Limited b) National Stock Exchange of India Limited"
11	Paid-up Capital	27,61,56,290
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Chirag Partani Company Secretary Hyderabad Tel.: +91 040 - 24016101 E-mail: cs@hariompipes.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a Standalone basis and pertain only to Hariom Pipe Industries Limited
Products/services		
14	Details of business activities (accounting for 90% of the turnover):	
a	Description of Main Activity	Manufacturing
b	Description of Business Activity	Iron/Metal and Steel products and by-products
c	% of Turnover of the entity	100%
15	Products/Services sold by the entity (accounting for 90% of the entity's Turnover):	
a	Product/Service	Manufacture of basic iron and steel
b	NIC Code	2410
c	% of total Turnover contributed	100%
Operations		
16	Number of locations where plants and/or operations/offices of the entity are situated:	
a	National	
	Number of plants	3
	Number of offices	1
b	International	0
17	Markets served by the entity:	
a	National (No. of States)	14 States and 2 Union Territories
b	International (No. of Countries)	0
c	What is the contribution of exports as a percentage of the total turnover of the entity?	0
d	A brief on types of customers	We are a well-known manufacturer of pipes (mostly in mild steel (MS) and galvanized pipes (GP)) and one of India's leading producers of pipes and tubes. We service industries such as infrastructure, construction, agriculture, Commercial, engineering, fabrication, furniture, and electrical.

Sr. No	Disclosures	Data/description
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Employees
18 Details as at the end of Financial Year:

a Employees and workers (Excluding differently abled):

Sr. No	Particulars	Total	Male		Female		Other	
			No	%	No	%	No	%
1	Permanent (D)	328	315	96.63%	13	3.37%	0	0.00%
2	Other than Permanent (E)	312	312	100.00%	0	0.00%	0	0.00%
3	Total employees (D + E)	638	625	196.01%	13	3.37%	0	0.00%

Sr. No	Particulars	Total
b	Differently abled Employees and workers:	
	Permanent (D)	0
	Other than Permanent (E)	0
	Total employees (D + E)	0
	Total male	0
	Total female	0

19	Participation/Inclusion/Representation of women	Total (A)	No. and percentage of Females	
			No. (B)	% (B / A)
a	Board of Directors	7	2	28.57%
b	Key Management Personnel	4	0	0.00%

Sr. No	Particulars	Total
20	Turnover rate for permanent employees and workers (Last three years)	
a	Permanent Employees	See Table Below
b	Permanent Workers	See Table Below

Sl. No	FY 2022-23	FY 2021-22	FY 2021-22
Permanent Employees & Permanent Workers			
Male	24%	45%	42%
Female	0%	0%	0%
Total	24%	45%	42%

Holding, Subsidiary and Associate Companies (including joint ventures)

Sr. No	Particulars	Total
21	Names of holding / subsidiary / associate companies / joint ventures	
a	Name of the holding / subsidiary / associate companies / joint ventures (A)	0
b	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	0
c	% of shares held by listed entity	0
d	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)	

CSR details

Sr. No	Particulars	Total
22.a	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
b	Turnover (in Rs.)	64,446.03 Lakhs
c	Net worth (in Rs.)	37,516.66 Lakhs

Transparency and Disclosures Compliances

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

- Stakeholder group from whom complaint is received
- Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)
- Number of complaints filed during the year
- Number of complaints pending resolution at close of the year

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	YES	https://www.hariompipes.com/investor-relations-policies-new.php	0	0	NA	0	0	NA
Investors (other than shareholders)	YES	https://www.hariompipes.com/investor-relations-policies-new.php	7	0	NA	0	0	NA
Shareholders	YES		0	0	NA	0	0	NA
Employees and workers	YES		0	0	NA	0	0	NA
Customers	YES		0	0	NA	0	0	NA
Value Chain Partners	YES		0	0	NA	0	0	NA

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

- Material issue identified
- Indicate whether risk or opportunity (R/O)
- Rationale for identifying the risk / opportunity
- In case of risk, approach to adapt or mitigate
- Financial implications of the risk or opportunity (Indicate positive or negative implications)

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

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive or negative implication)
1	Supply Chain Resilience	R	Dependency on specific suppliers or disruptions in the supply chain can lead to production delays and resource shortages.	Hariom Pipes has implemented an integrated manufacturing approach, commencing from iron ore extraction and culminating in the production of MS Pipes and Scaffolding. This self-sustained process not only strengthens supply chain resilience by minimizing external dependencies but also ensures streamlined efficiency in terms of cost and time.	Positive
2	Ethical Governance and Public Transparency	O	Ensuring strong corporate governance practices and transparency enhances stakeholder trust, reputation, and long-term sustainability.		Positive
3	Employee Retention and Talent Development	O	Maintaining skilled workforce and nurturing talent improves operational efficiency, innovation, and long-term success.		Positive
4	Social Responsibility	O	Fostering positive relationships and goodwill within local and marginalized communities through dedicated community development efforts.		Positive
5	Climate change	R	Carbon emissions contribute to climate change and may lead to regulatory penalties, supply chain disruptions, and reputational damage	Implementation of energy-efficient technologies, adoption of cleaner production methods, carbon capture and storage initiatives.	Positive
6	Economic Performance	O	Economic performance is a pivotal factor in determining the integrated steel plant's ability to invest, expand, and remain competitive in a challenging business landscape		Positive
7	Regulatory Compliance	R	Non-compliance with environmental, safety, and labour regulations can lead to legal penalties, reputational damage, and operational disruptions.	Implementation of robust compliance management systems, regular audits, and proactive engagement with regulatory authorities.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Sr. No	Disclosure Questions	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Company policies are given approval by the Board, depending on the type of policy and the related regulatory needs								
	c. Web Link of the Policies, if available	https://www.hariompipes.com/investor-relations-policies-new.php								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001: 2015.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Hariom Pipes is deeply committed to environmentally-friendly manufacturing, evaluating our progress by monitoring reduced energy use, controlled emissions, efficient waste management, and enhanced production efficiency								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	NA								

Governance, leadership and oversight

Sr. No	Disclosure Questions	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>The business responsibility report underscores our integrated steel plant's strong commitment to sustainability. Our strategic approach encompasses short, medium, and long-term goals to manage environmental and social impacts associated with our activities.</p> <p>Our immediate and medium-term priorities focus on optimizing resource utilization, emissions reduction, and community engagement, aligning with broader sustainability trends. Noteworthy achievements during this reporting period include successful deployment of advanced pollution abatement technologies, leading to decreased air and water pollutants. Additionally, our resource optimization initiatives have resulted in significant energy savings and enhanced waste management practices.</p> <p>While celebrating these achievements, we recognize ongoing challenges, particularly in meeting ambitious emission reduction targets and enhancing employee well-being. Moving forward, our determination remains unwavering as we continue to drive innovation, foster positive change through sustainable practices, and deepen our collaboration with communities.</p> <p>Through our integrated steel plant's resolute commitment to sustainability, we strive to harmonize business growth, environmental stewardship, and social responsibility, exemplifying our dedication to a sustainable future.</p>								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Rupesh Kumar Gupta (DIN 00540787), Managing Director, bears the responsibility for both implementing and overseeing the Business Responsibility policies.								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Currently, our company's management is actively and proactively engaged in overseeing a diverse array of ESG initiatives. To reinforce and amplify our dedication, we are diligently progressing towards establishing a dedicated Sustainability Committee in the near future. This proactive decision underscores our commitment to drive and elevate our ESG endeavors, further solidifying our unwavering focus on sustainability and ethical business practices.</p> <p>Moreover, our Corporate Social Responsibility Committee concentrates on pivotal social factors, providing invaluable insights and perspectives to our esteemed Board of Directors</p>								

10. Details of Review of NGRBCs by the Company:

Sr. No	Disclosure Questions	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
	Subject for Review									
	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									
		<p>The business responsibility report underscores our integrated steel plant's strong commitment to sustainability. Our strategic approach encompasses short, medium, and long-term goals to manage environmental and social impacts associated with our activities.</p> <p>Our immediate and medium-term priorities focus on optimizing resource utilization, emissions reduction, and community engagement, aligning with broader sustainability trends. Noteworthy achievements during this reporting period include successful deployment of advanced pollution abatement technologies, leading to decreased air and water pollutants. Additionally, our resource optimization initiatives have resulted in significant energy savings and enhanced waste management practices.</p> <p>While celebrating these achievements, we recognize ongoing challenges, particularly in meeting ambitious emission reduction targets and enhancing employee well-being. Moving forward, our determination remains unswerving as we continue to drive innovation, foster positive change through sustainable practices, and deepen our collaboration with communities.</p> <p>Through our integrated steel plant's resolute commitment to sustainability, we strive to harmonize business growth, environmental stewardship, and social responsibility, exemplifying our dedication to a sustainable future.</p>								
		P-1 to 9								
	Performance against above policies and follow up action	P-1 to 9								
	Review was undertaken by the Top Management as and when needed	Assessed when needed.								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances									

11. Company Independent assesement

Disclosure Questions	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.									
No									

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									
	All Principles are covered by the policies								

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	On going- Multiple trainings throughout the year	The Company organizes periodic orientation sessions for its Board of Directors, covering a wide range of subjects. These include discussions on topics like Corporate Governance, the Companies Act of 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations of 2015, environmental and safety concerns, Corporate Social Responsibility, business expansion, measures against bribery and corruption, sustainability, and updates on various regulatory requirements.	100%
Key Managerial Personnel	On going- Multiple trainings throughout the year	The Company arranges regular familiarization programs for its Key Managerial Personnel, encompassing a diverse array of subjects. These sessions encompass conversations about matters such as Corporate Governance, the Companies Act of 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations from 2015, considerations related to the environment and safety, Corporate Social Responsibility, efforts to combat bribery and corruption, sustainability practices, and updates on a variety of regulatory mandates.	100%
Employees other than BoD and KMPs	On going- Multiple trainings throughout the year	Employees and workers partake in diverse training and awareness sessions throughout their tenure.	100%
Workers	On going- Multiple trainings throughout the year	These include induction training upon joining, as well as leadership, policy, safety, environmental, social, governance, occupational health, mental health, soft skills, risk management, function-specific technical, and compliance training during their employment journey.	100%

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies	Amount (In INR)	Brief of the Case	Has an appeal been preferred
Penalty/ Fine					
Settlement			NIL		
Compounding fee					

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies	Amount (In INR)	Brief of the Case	Has an appeal been preferred
Imprisonment					
Punishment			NIL		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	
Name of the regulatory/ enforcement agencies/ judicial institutions	NIL

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

Yes, <https://www.hariompipes.com/investor-relations-policies.php>

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

FY 2022-23 (Current Financial Year)	NIL
FY 2021-22 (Previous Financial Year)	

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

Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL

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

Leadership Indicator

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

The company takes proactive steps to orchestrate programs geared towards enhancing awareness among its value chain partners regarding crucial aspects such as health and safety, education, and adherence to the company's ethical guidelines. These initiatives are meticulously crafted to cultivate a culture of transparent business practices throughout the organization. Additionally, the company acknowledges its role in championing sustainability within its network of suppliers. To ensure congruence between supplier objectives and the company's sustainability ambitions, precise criteria have been established. The company places significant emphasis on ESG (Environmental, Social, and Governance) considerations, while also assessing fundamental competencies, financial viability, and capacity. In the preceding year, notable efforts were directed towards refining operational efficiency and minimizing waste to amplify energy preservation endeavors. Furthermore, advancements have been achieved in the procurement process, with the company proactively seeking vendors who share their commitment to ecological stewardship and community involvement."

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

We have established procedures to prevent and effectively handle situations where conflicts of interest may arise among members of the Board. Our corporate Code of Conduct and policy concerning transactions involving related parties dictate that the management must refrain from engaging in any transaction, whether direct or indirect, that could potentially compromise the Company's interests due to their personal or indirect interests. Annually, the Company receives a declaration from its Board of Directors outlining any affiliations they may have with entities that could potentially lead to a conflict of interest. This thorough process ensures that any necessary approvals mandated by applicable laws are obtained before entering into any transactions with the respective entities

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe"

Essential Indicator

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0%	0%	NIL
Capex	11.47%	7.61%	Implementation of Solar Panels to augment renewable energy generation, Deployment of Pollution Abatement Technologies such as Effluent Treatment Plants (ETP) to curb air pollution, and Establishment of ARO (Air, Water, and Odor) Treatment Plants for water recycling, collectively contribute to the reduction of reliance on groundwater for both manufacturing operations and the residential needs of workers within the factory premises.

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

- b. **If yes, what percentage of inputs were sourced sustainably?**
100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Sl. No.	Particulars	Remarks
a	Plastics (including packaging)	Not Applicable
b	E-waste	Disposed to authorised vendors
c	Hazardous waste	Not Applicable
d	other waste.	End-of-life steel, often referred to as scrap steel, holds a distinct significance within the steel industry. Rather than being treated as a waste product, it serves as a valuable input for the steelmaking process through remelting. In alignment with this commitment, Hariom Pipe not only repurposes scrap generated during its production processes but also actively sources external scrap to further this endeavor.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Extended Producer Responsibility (EPR) is not applicable to our industry based on current regulations. However, we have a robust waste management plan in place that aligns with our commitment to environmental responsibility. Our approach includes effective recycling, responsible disposal, and minimizing any potential impact on the environment. While not mandated by EPR, our dedication to sustainable waste management remains strong.

Leadership Indicator

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NOT APPLICABLE					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	
Description of the risk / concern	NOT APPLICABLE
Action taken	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Recycled input materials	38.49%	34.03%

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Re-Used	Recycles	Safety disposed	Re-Used	Recycles	Safety disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other	0	0	0	0	0	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	
Reclaimed products and their packaging materials as % of total products sold in respective category	Not Applicable

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains manner that is sustainable and safe

Essential Indicator

1. a. Details of measures for the well-being of employees: % of employees covered by

	TOTAL (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (B)	% (B/A)	No. (B)	% (B/A)	No. (B)	% (B/A)	No. (B)	% (B/A)
Permanent employees											
Male	315	133	42.22%	301	95.55%	-	0%	1	0%	-	0%
Female	13	-	0%	-	0%	-	0%	-	0%	-	0%
Total	328	133	40.55%	301	91.77%	-	0%	1	0%	-	0%
Other than Permanent employees											
Male	-	-	0%	-	0%	-	0%	-	0%	-	0%
Female	-	-	0%	-	0%	-	0%	-	0%	-	0%
Total	-	-	0%	-	0%	-	0%	-	0%	-	0%

- b. Details of measures for the well-being of workers : % of workers covered by

	TOTAL (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (B)	% (B/A)	No. (B)	% (B/A)	No. (B)	% (B/A)	No. (B)	% (B/A)
Permanent workers											
Male	-	-	0%	-	0%	-	0%	-	0%	-	0%
Female	-	-	0%	-	0%	-	0%	-	0%	-	0%
Total	-	-	0%	-	0%	-	0%	-	0%	-	0%
Other than Permanent workers											
Male	312	-	0%	312	100%	-	0%	-	0%	-	0%
Female	-	-	0%	-	100%	-	0%	-	0%	-	0%
Total	312	-	0%	312	100%	-	0%	-	0%	-	0%

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

FY	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	85%	0%	Yes	74%	0%	Yes
Gratuity	100%	0%	Yes	100%	0%	Yes
ESI	25%	0%	Yes	13%	0%	Yes

Employees and workers are included in the coverage as required by relevant regulations

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

Yes

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

Yes, the Company staunchly maintains its dedication to ensuring equal opportunities for every individual. We guarantee that all prospective job applicants and current employees receive equitable and impartial treatment, irrespective of factors such as gender, marital status, disability, race, color, religion, age, sexual orientation, nationality, or ethnic/national origins.

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

Particulars	Return to work rate	Retention rate
Permanent employees	100%	100%
Permanent worker	0	0
Total male employees	100%	100%
Total Female employees	0	0
Total male worker	0	0
Total female worker	0	0

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent worker	The company emphasizes open communication by encouraging employees to report operational and performance issues to their supervisors. For matters involving organizational or appraisal concerns, the Human Resource Department is the designated channel. The Whistle Blower Mechanism reinforces transparency and accountability, allowing employees to report unethical behavior or violations without fear. This initiative underscores the company's commitment to maintaining a responsible and ethical work culture.
Other than permanent worker	
Permanent Employees	
Other than permanent employees	

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

FY	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)
Total Permanent Employees and Workers						
Male	315	-	0%	226	-	0%
Female	13	-	0%	10	-	0%
Total	328	-	0%	236	-	0%

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	315	315	100%	315	100%	226	226	100%	226	100%
Female	13	13	100%	13	100%	10	10	100%	10	100%
Total	328	328	100%	328	100%	236	236	100%	236	100%
Workers										
Male	312	312	100%	312	100%	231	231	100%	231	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	312	312	100%	312	100%	231	231	100%	231	100%

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

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	315	315	100%	315	100%	226	226	100%	226	100%
Female	13	13	100%	13	100%	10	10	100%	10	100%
Total	328	328	100%	328	100%	236	236	100%	236	100%
Workers										
Male	312	312	100%	312	100%	231	231	100%	231	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	312	312	100%	312	100%	231	231	100%	231	100%

10. Health and safety management system:

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

Yes, the entity has implemented an occupational health and safety management system. The system encompasses a comprehensive range of measures and protocols aimed at ensuring the well-being and safety of all employees and workers within the organization. The occupational health and safety management system is consistently reviewed and updated to adapt to changing circumstances and to uphold the highest standards of safety across all operational areas.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The entity's strategy for identifying work-related hazards and assessing risks involves the following procedures:

1. Identifying hazards associated with each process and phase.
2. Carrying out workplace safety inspections to uncover potential hazards.
3. Compiling existing information about workplace hazards.
4. Acknowledging relevant legal obligations related to risk assessment and necessary control implementation.
5. Assessing the need for additional measures to eliminate hazards."

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

Yes, the entity has established processes that empower workers to report work-related hazards and take measures to remove themselves from such risks. Workers are encouraged and educated on how to promptly report hazards they encounter during their tasks. This proactive approach ensures that potential hazards are swiftly addressed, promoting a culture of safety and well-being within the organization

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

Yes, all the employees/workers have access to non-occupational medical and healthcare services.

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

Safety Incident/Number	Category	FY (2022-23)	PY (2021-22)
Lost Time Injury Frequency Rate (LTIFR) (per one Million person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

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

The entity ensures a safe and healthy workplace for its employees through the following measures:

1. Specialized Training: Employees undergo targeted training to address industry-specific hazards and safe operational practices.
2. Adherence to Safety Protocols: Strict compliance with established safety procedures and guidelines to mitigate risks.
3. Personal Protective Equipment : Provision of appropriate PPE such as helmets, gloves, goggles.
4. Routine Safety Inspections: Regular checks to identify and rectify potential hazards in the work environment.
5. Ergonomic Considerations: Designing workstations for optimal ergonomics to minimize physical strain.
6. Health Surveillance: Monitoring employees' health and well-being through regular check-ups and assessments.
7. Effective Communication: Clear dissemination of safety guidelines and protocols to all employees.
8. Continuous Improvement: Encouraging employee feedback and incorporating enhancements to safety measures.

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

FY	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-		-	-	
Health and safety	-	-		-	-	

14. Assessments for the year:

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

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

The entity is actively addressing safety-related incidents through thorough incident analysis and implementing corrective measures. The entity's continuous improvement culture ensures that safety concerns are promptly addressed, fostering a secure environment for employees.

Leadership Indicator

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

The Company's management places a high priority on the well-being of its employees. In the unfortunate event of an employee or worker's passing, the Company is dedicated to assisting the family in claiming their rightful legally available dues as per the company policies

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

1. Ensuring adherence to PF and ESIC regulations, we validate contractor and vendor payments by requesting proof of compliance prior to disbursing payment to them.
2. Monthly reconciliations of GSTR-2B are conducted to verify vendors' GST payments and timely submission of returns to the government.
3. Our prompt GST return submissions facilitate timely GST credit availability for our customers, and we diligently address any GST credit-related matters.
4. We proactively liaise with both customers to acquire Form 16A certificates for TDS

3. Provide the number of employees / workers having suffered high consequence workrelated injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers	FY 2022-23	FY 2021-22
No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)
Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We are currently organizing both informal and formal awareness programs for our value chain partners, we are concurrently in the process of gathering data and information in accordance with the prescribed format
Working condition	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicator

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company holds all stakeholders in high esteem and prioritizes their significance, fostering lasting and harmonious relationships. Stakeholders are identified based on the extent of their impact on the business. Key stakeholders encompass employees and workers, suppliers, customers, business partners, regulatory agencies, and shareholders and investors in proximity to the Company's operational sites.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & Workers	No	Email, Phone calls, SMS, Meetings, Notice Board, Training Programs, Employee Celebration	Regular	Communication pertaining to daily operations and the execution of business activities is vital. Also knowledge regarding leadership, policy, safety measures, environmental considerations, social engagement, governance practices, occupational health, mental well-being, soft skills, risk management, specialized technical aspects, and compliance training.
Shareholders & Investors	No	Email, Website, Phone calls, SMS, Quarterly publication of results, Newspaper advertisements, General Meetings, Stock Exchange intimations	Annually/Half yearly/ Quarterly/ Event basis	Transparent and effective communication of business performance, Compliance, Governance Practices
Suppliers/ Vendors	No	Email, Phone calls, SMS, Meetings, Website	Regular	Compliance with equitable and ethical procurement and engagement standards. Providing transparent pricing and advantageous payment conditions. Ensuring prompt approvals and efficient clearance procedures. Attentively comprehending suppliers' concerns.
Customers and Value Chain Partners	No	Email, Phone calls, SMS, Meetings, Website, Advertisement and Business Promotion	Regular	Acknowledging and processing diverse orders while engaging in discussions regarding pricing and product quality and benefits. Grasping customer service needs and addressing any concerns that arise.
Government and Regulatory Bodies	No	Fillings and submissions, Engagement during visits to our facilities, Email and website	Annually/Half yearly/ Quarterly/ Event basis	To comply with applicable regulations

Leadership Indicator

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Our aim is to create value for all those associated with our company, encompassing our employees, customers, partners, vendors, government bodies, regulatory entities. At Hariom, we treat stakeholder engagement with utmost seriousness as well as in pinpointing material concerns that influence our company's sustainable progress.

Our primary means of communication with stakeholders include the annual report, websites, and the annual general meeting (AGM). Furthermore, a Stakeholder Relationship Committee has been established to facilitate the receipt of essential feedback from stakeholders.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Yes, our company has consistently upheld a pattern of consistent and forward-looking interaction with its core stakeholders. This practice has empowered us to diligently develop and implement our Environmental, Social, and Governance (ESG) strategies, while also ensuring transparency in our achievements. The results of stakeholder consultations and the subsequent measures undertaken in response to their insights are openly communicated to the public via Annual Reports.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups

The company actively involves itself in supporting and uplifting vulnerable and marginalized stakeholders through a range of Corporate Social Responsibility (CSR) initiatives. These endeavors are driven by the Company's commitment to addressing the unique needs of these individuals and contributing to their socio-economic betterment. The scope of their engagement encompasses areas such as education, health, nutrition, sanitation, and the overall well-being of underprivileged segments of society.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicator

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/ A)	Total (A)	No. of employees/workers covered (B)	% (B/ A)
Employees						
Permanent	328	328	100%	236	236	100%
Other than permanent	0	0	0%	0	0	0%
Total	328	328	100%	236	236	100%
Workers						
Permanent	0	0	0%	0	0	0%
Other than permanent	312	312	100%	231	231	100%
Total	312	312	100%	231	231	100%

2. Details of minimum wages paid to employees and workers

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (B)	% (B/A)		No. (B)	% (B/A)	No. (B)	% (B/A)
Employees										
Permanent	328	0	0%	328	100%	236	0	0%	236	100%
Other than permanent	0	0	0%	0	0%	0	0	0%	0	0%
Total	328	0	0%	328	100%	236	0	0%	236	100%
Workers										
Permanent	0	0	0%	0	100%	0	0	0%	0	0%
Other than permanent	312	0	0%	312	0%	231	0	0%	231	100%
Total	312	0	0%	312	100%	231	0	0%	231	100%

3. Details of remuneration/salary/wages, in the following format:

	Female		Male	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	2	₹ 6,250 Per Month	5	₹ 25,208 Per Month
Key Managerial Personnel	0		4	₹ 7.49 Lakhs per Month
Employees other than BoD and KMP	13	₹ 24,220 Per Month	310	22,000 per Month
Workers	0		312	14,000 per month

Note: The remuneration include sitting fees paid to all the Directors

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the company have a strong Human Resources department that takes the responsibility of addressing human rights impacts or issues arising from its business operations.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has put in place internal mechanisms to effectively address grievances concerning human rights matters. The Human Resources department is entrusted with the task of thoroughly reviewing and investigating these grievances, with a commitment to maintaining fairness and transparency throughout the process.

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	Nil	-	-	Nil
Discrimination at workplace	-	-	Nil	-	-	Nil
Child Labour	-	-	Nil	-	-	Nil
Forced Labour/Involuntary Labour	-	-	Nil	-	-	Nil
Wages	-	-	Nil	-	-	Nil
Other human rights related issues	-	-	Nil	-	-	Nil

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company upholds the principle of natural justice and guarantees the complete confidentiality of complainants throughout and after the grievance resolution process. Typically, such complaints are overseen by senior members of the organization

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

No

9. **Assessments for the year:**

Child labour	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	100%
Wages	The Company is in compliance with the applicable laws.
Others, specify	

Leadership Indicator

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Throughout the Financial Year, the Company has not received any complaints. As a result, no alterations or introductions have been made to existing business processes for the purpose of addressing human rights grievances or complaints.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

The company has firm measures to prevent behaviors that violate its Ethics policy and Code of Conduct, encompassing human rights and other forms of misconduct.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, Hariom ensures that all its locations, including offices and plants, are accessible to visitors with disabilities, in accordance with the Rights of Persons with Disabilities Act, 2016

4. **Details on assessment of value chain partners:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	
Discrimination at workplace	
Child Labour	Nil
Forced Labour/Involuntary Labour	
Wages	
Others	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

NIL

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicator

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameters	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	299.65 terajoules (TJ)	288.07 terajoules (TJ)
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)	299.65 terajoules (TJ)	288.07 terajoules (TJ)
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00046 TJ/rupee	0.00067 TJ/rupee
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameters	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water	356	411
(iv) Seawater / desalinated water		
(v) Others Recycled waste	535	617
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	891	1028
Total volume of water consumption (in kilolitres)	891	1028
Water intensity per rupee of turnover (Water consumed / turnover)	0.000138	0.000237
Water intensity (optional) – the relevant metric may be selected by the entity		

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, we have implemented Zero Liquid Discharge (ZLD) in our integrated steel plant. This means we reuse the water within our operations, with no liquid effluent discharged into the environment. Our ZLD system reflects our commitment to sustainability and responsible practices.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameters	Current FY	Previous FY
NO _x	Within statutory limits	Within statutory limits
SO _x	Within statutory limits	Within statutory limits
Particulate matter (PM)	<60	<60
Persistent organic pollutants (POP)	Within statutory limits	Within statutory limits
Persistent organic pollutants (POP)	Within statutory limits	Within statutory limits
Volatile organic compounds (VOC)	Within statutory limits	Within statutory limits
Hazardous air pollutants (HAP)	Within statutory limits	Within statutory limits
Others, specify	Within statutory limits	Within statutory limits

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Unit	Current FY	Previous FY
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Within statutory limits	Within statutory limits
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Within statutory limits	Within statutory limits
Total Scope 1 and Scope 2 emissions per rupee of turnover		Within statutory limits	Within statutory limits
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Within statutory limits	Within statutory limits

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Deployment of Pollution Abatement Technologies such as Effluent Treatment Plants (ETP) to curb air pollution

8. Provide details related to waste management by the entity, in the following format:

Parameter	Current FY	Previous FY
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Not Applicable	Not Applicable
E-waste (B)	Not Applicable	Not Applicable
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	Not Applicable
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Not Applicable	Not Applicable
Total (A+B + C + D + E + F + G + H)	Not Applicable	Not Applicable
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	Not Applicable	Not Applicable
(i) Recycled	Not Applicable	Not Applicable
(ii) Re-used	Not Applicable	Not Applicable
(iii) Other recovery operations	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Not Applicable	Not Applicable
(i) Incineration	Not Applicable	Not Applicable
(ii) Landfilling	Not Applicable	Not Applicable
(iii) Other disposal operations	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

In our waste management approach, we leverage cutting-edge technologies such as ETP and Pollution Equipments to curtail Carbon Emission and capture Carbon Particles via Bagfilters for potential reuse in the Printing Cartridge Industry. Our efforts extend to deploying an RO Plant, enabling the repurposing of Industrial Wastewater for both domestic and industrial purposes, consequently curbing Groundwater consumption. Concurrently, through the recycling of slag metal and incorporation of recycled steel scrap, we contribute to diminished CO₂ emissions and the advancement of circular economy principles. These comprehensive waste management practices collectively contribute to the establishment of a sustainable environment for the community we serve.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Location of operations/offices	
Type of operations	
Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.	Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	
EIA Notification Number	
Date	
Whether conducted by independent external agency (Yes / No)	Not Applicable
Results communicated in public domain (Yes / No)	
Weblink if any	

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Specify the law / regulation / guidelines which was not complied with	
Provide details of the noncompliance	
Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	All the laws are Complied
Corrective action taken, if any	

Leadership Indiacator

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Current FY	Previous FY
From renewable sources		
Total electricity consumption (A)	1.25 terajoules (TJ)	1.13 terajoules (TJ)
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)	1.25 terajoules (TJ)	1.13 terajoules (TJ)
From non-renewable sources		
Total electricity consumption (D)	298.40 terajoules (TJ)	286.94 terajoules (TJ)
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)	298.40 terajoules (TJ)	286.94 terajoules (TJ)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	Current FY	Previous FY
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(v) Others		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Current FY	Previous FY
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	Nil	Nil
Total volume of water consumption (in kilolitres)	Nil	Nil
Water intensity per rupee of turnover (Water consumed / turnover)	Nil	Nil
Water intensity (optional) – the relevant metric may be selected by the entity	Nil	Nil
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil

Parameter	Current FY	Previous FY
(iv) Sent to third-parties		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(v) Others		
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	Nil	Nil

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Current FY	Previous FY
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	154423	136232
Total Scope 3 emissions per rupee of turnover	0.000024	0.000031
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		

- 5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. Not Applicable**
- 6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of ETP and Pollution Equipment	Installed at our all Units	Reduced carbon emissions and captured carbon particles via bag filters for potential reuse in the Printing Cartridge Industry.
2	Installation of Water Treatment Plants	Installed at our Mahabubnagar Unit	Repurposed industrial wastewater for domestic and industrial use, reducing groundwater consumption.
3	Implementing the installation of a crusher machine and bundling machine.	Installed at our Mahabubnagar Unit	Decreased CO ₂ emissions and enhanced circular economy practices, contributing to a sustainable environment for the community.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has a comprehensive Business Continuity and Disaster Management Plan in place. This plan outlines strategies for maintaining critical operations during various disruptive events, including natural disasters, equipment failures, and supply chain disruptions. It identifies key personnel roles, establishes communication protocols, and prioritizes safety measures for employees and stakeholders. Regular training and testing exercises ensure readiness. The plan covers asset protection, data recovery, and compliance with safety regulations. By prioritizing continuity, the plant aims to minimize downtime, safeguard its workforce, and ensure seamless production and supply of steel products, even in challenging circumstances

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NIL

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

7%

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicator

1. a. Number of affiliations with trade and industry chambers/ associations.

1 (One)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Telangana Chamber of Commerce and Industry (FTAPCI)	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	
Case brief	No adverse orders received from regulatory authorities for anti-competitive conduct.
Corrective action taken	

Leadership Indicator

1. Details of public policy positions advocated by the entity:

Public policy advocated	
Method resorted for such advocacy	
Whether information available in public domain? (Yes/No)	NO
Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	
Web Link, if available	

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicator

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	
SIA Notification No.	
Date of notification	
Whether conducted by independent external agency (Yes / No)	Not applicable , as there were no projects that require SIA as per applicable laws
Results communicated in public domain (Yes / No)	
Relevant Web link	

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of Project for which R&R is ongoing	
State	
District	
No. of Project Affected Families (PAFs)	Not Applicable
% of PAFs covered by R&R	
Amounts paid to PAFs in the FY (In INR)	

3. Describe the mechanisms to receive and redress grievances of the community.

We've established communication channels, including our online platform, mail, and written correspondence, for community

members to voice their concerns. When a grievance is raised, our stakeholder committee conducts a comprehensive review. This is followed by an in-depth investigation and transparent discussions with the community members affected. Through joint efforts, we collectively identify and put into action an equitable solution. We ensure consistent updates on the progress and strive to resolve the concern to the satisfaction of all parties involved.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	Current FY	Previous FY
Directly sourced from MSMEs/ small producers	NIL	NIL
Sourced directly from within the district and neighbouring districts	NIL	NIL

Leadership Indicator

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Not applicable, as there were no projects that require SIA as per applicable laws
Corrective action taken	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	
Aspirational district	NIL
Amount spent (In INR)	

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Intellectual Property based on traditional knowledge	
Owned/ Acquired (Yes/No)	Not Available
Benefit shared (Yes / No)	
Basis of calculating benefit share	

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of the authority	
Brief of the Case	Not Applicable
Corrective action taken	

6. Details of beneficiaries of CSR Projects:

Name of the project	
No. of persons benefitted from CSR Projects	Not Applicable
% of beneficiaries from vulnerable and marginalized groups	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicator

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company has established effective mechanisms to receive and address consumer complaints and feedback. This includes accessible channels such as helpline numbers, online platforms, and designated email addresses where consumers can voice their concerns. Trained customer service teams promptly acknowledge and assess complaints, working towards fair resolutions.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

The Company's products conform to all applicable statutory parameters:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23	FY 2021-22
Data privacy		
Advertisement		
Cyber security		
Delivery of essential services		NIL
Restrictive Trade Practices		
Unfair Trade Practices		
Others		

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for a call
Voluntary recalls		
Forced calls		NIL

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, <https://www.hariompipes.com/investor-relations-policies.php>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable as there have been no reported incidents of such issues.

Essential Indicator

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
<https://www.hariompipes.com/>
2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
The company educate consumers about the safe and responsible usage of steel products. This includes clear product information, user manuals, online resources, customer support, safety campaigns, and collaboration with retailers.
3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
We have regular conversations with our customers to work on problems as a team. The Company values quality and good service, which helps us create strong relationships and trust through ongoing communication.
4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**
Yes, the entity provides additional product information beyond local legal requirements. This supplementary information often includes usage instructions, safety precautions, and specifications. These efforts are aimed at promoting consumer awareness and responsible usage.
5. **Provide the following information relating to data breaches:**
 - a. **Number of instances of data breaches along-with impact**
Nil
 - b. **Percentage of data breaches involving personally identifiable information of customers**
Nil

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Hariom Pipe Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Hariom Pipe Industries Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

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

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
<p>1 Property, Plant and Equipments (PPE)/ Capital Work in Progress (CWIP) –</p> <p>A. PPE ₹ 13,324.79 lakhs as at March 31, 2023 (Refer note -2(a)):</p> <p>During the year, there has been substantial additions in the PPE. In view of the same, this was considered as a key audit matter so as to confirm the proper accounting of PPE, compliance with the INDAS 16, controls and monitoring procedure for capitalization of PPE and utilization of the funds raised for this purpose.</p> <p>B. CWIP- ₹ 10,318.72 lakhs as at March 31, 2023 (Refer note 2(b))</p> <p>Opening Balance of CWIP as on 1st April 2022 was ₹ 1,006.02 lakhs. During the year there was addition of ₹ 14,378.96 lakhs to CWIP (including borrowing cost of ₹ 169.50 lakhs) and capitalization of assets worth ₹ 5,066.26 lakhs.</p> <p>The CWIP balance majorly includes below projects undertaken by the Company:</p> <p>a) The Company is developing Galvanizing Plant (GP unit) at Balanagar Mandal, Seriguda, Mehbubnagar Telangana India, which will be Producing GP Pipes.</p> <p>b) The Company is expanding its capacity of existing Pipe Mills from 84,000 Metric Ton per annum (MTPA) to 1,32,000 (MTPA) by adding two additional mills.</p> <p>Since the amounts involved in the development of the above project was significant and material, the audit of the above area was considered to be a key audit matter for reporting purpose.</p>	<p>Our Audit procedures included the following:</p> <ol style="list-style-type: none"> For Addition to the PPE, we verified the Definitive Agreement with the major vendors and respective purchase orders. We selected the sample of vouchers for additions to the PPE during the year and verified the same. We verified correctness of the depreciation. We verified correctness of accounting and disclosure as per Ind AS read with schedule III of the Act. <p>Our Audit procedures included the following:</p> <ol style="list-style-type: none"> We understood from the management details of the projects in process. reviewed the project report issued by the professional appointed by bankers, to understand the progress of the project and observations. reviewed the management's procedure to review the periodic progress of the projects based on certification by the project management consultants and correspondent running bills submitted by the contractors. Verification of invoices of the CWIP on sample basis as per applicable terms and conditions. Verification of payments made by the accounts, based on the approval by the proper authorities and other terms and conditions. Discussion of audit observations with the management/accounts and finance team for clarification as and when required 	

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) 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 Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
2	<p>Bank Borrowings :</p> <p>Long Term Borrowings ₹ 12,519.40 lakhs as on March 31, 2023.</p> <p>During the year, the Company has been sanctioned new Term Loans by Canara Bank Ltd and HDFC Bank Ltd of ₹ 9,402 lakhs and ₹ 5,743 lakhs respectively. The outstanding loan amount included in above outstanding is ₹ 6,240.39 lakhs and 4,103.50 lakhs (excluding current maturities amounting to ₹ 896 lakhs and 100.10 lakhs both loans respectively, classified under Short Term Borrowings as on March 31, 2023).</p> <p>Since the amount involved is material and significant, audit of above area was considered to be key audit matter for reporting purpose.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> i. Review of Board minutes for the acceptance of the loan with reference to the borrowing powers of the Board in accordance to provision of section 180 of the Act ii. Review of the sanction letters received from respective banks. iii. The e- form (CHG1) filed with Ministry of Corporate affairs in accordance with the provisions of the Companies (Registration of Charge) Rules, 2014 for creation/ modification of charge. iv. Verification of the bank statement for the loan amounts obtained and accounting thereof in the books of account including the accounting of interest on effective rate of interest basis. v. Disclosure in the financial statements in accordance with the requirement of Schedule III and Ind Accounting Standard, 23 – “Borrowing Costs”.
3	<p>Share Capital :</p> <p>i) Initial Public Offer :</p> <p>The Company has issued 85,00,000 equity shares of ₹ 10 each at a premium of ₹ 143 per share amounting to ₹ 13,005 lakhs, on its listing with the BSE Limited and National Stock Exchange Limited, on 13th April 2022.</p> <p>ii) Private Placement:</p> <p>The Company issued equity shares on a private placement basis consisting of 21,39,425 equity shares of ₹ 10 each at a premium of ₹ 335 per share amounting to ₹ 7,381.02 lakhs on March 31, 2023</p> <p>Since the amount involved is material and significant, audit of above area was considered to be key audit matter for reporting purpose</p>	<p>Our Audit procedures included the following:</p> <ol style="list-style-type: none"> i. Enquiring with those charged with the governance and the key managerial personal about the procedure followed for <ul style="list-style-type: none"> • issue of the equity shares • increase in authorized equity shares capital ii. review of the minute books of <ul style="list-style-type: none"> • the board of directors and • shareholders; iii. referred the relevant provisions of the Companies Act 2013 read with the Companies (Share Capital and Debenture Rules) 2014, as applicable to ascertain whether the same have been complied with; iv. Review compliance to applicable guidelines of SEBI regulations v. review of various e-forms submitted to the Ministry of Corporate Affairs (MCA) in compliance with the provisions of the Companies Act 2013 and the relevant rules; vi. review of valuation report issued by the registered valuer in accordance with the provisions of the Companies (Registered Valuers and Valuation) Rules 2017 for fair value for issue of the shares at the price at which these equity shares were issued during the year vii. appropriate disclosure in the financial statements in accordance with the IND AS, and the requirements of schedule III

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's Annual Report including Annexures thereto, but does not include the financial statements, and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS, specified under Section 133 of the Act 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude, that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, and based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the

Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors as at March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations as on March 31, 2023 on its financial position in its financial statements. (Refer note no. 32)
- (ii) The Company does not have any long-term contracts including derivatives 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.
- h) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate), other than disclosed in notes to the financial statements, have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified

in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- i) The Company has not declared nor proposed or paid any dividends during the year and therefore compliance under section 123 of the Act is not applicable to the Company.
- j) 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.

For **R Kabra & Co LLP**
Chartered Accountants
 (Firm Registration No. 104502WW/100721)

Sd/-
Deepa Rathi

Partner
 Membership No.: 104808
 UDIN: 23104808BGTSYA5335
 Place: Hyderabad
 Date: May 30, 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hariom Pipe Industries 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 is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

B. The Company is maintaining proper records showing full particulars of intangible assets

b. As per the information and explanation given to us, in our opinion and in view of continuous capital expansions, the management needs to strengthen the reasonable interval to carry out the physical verification of the Property, Plant and Equipment. As management has not reported any material discrepancies, no adjustments are required to be made in the books of accounts.

c. As per the information and explanations given to us and on the basis of examination of records of the company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d. The Company has not revalued any of its Property, Plant and Equipment (Including right of use assets) nor intangible assets during the year. Therefore, no comments are called for in respect of whether the revaluation is based on the valuation by a registered

B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to Advances in the nature of loans given to employees are as under:

Particulars	The aggregate amount granted during the year	Balance Outstanding as at March 31, 2023
Advances in the nature of Loans - Employee Advances	34.94	5.96

The company has not granted any loans nor stood any guarantee or provided security to parties other than subsidiaries, joint ventures and associates during the year.

b) The Company has not made any investments, nor given any loans, provided any guarantees or security during the year. In respect of the advances in the nature of loans given to employees, in our opinion, the terms and conditions are not prejudicial to the company’s interest.

valuer and if any adjustment is required for more than 10% or more in the net carrying value of each class of the assets.

e. As per the information and explanations given to us, no proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988, as amended) and rules made thereunder.

ii. a. The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification

b. As per the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. In respect of loans, advances in the nature of loans, guarantee and security provided during the year:

a) The Company has not provided any loans stood guarantee, nor provided security to any other entity during the year. However, the company has given advances in the nature of loans to employees.

A) Since the Company does not have any subsidiaries, joint ventures and associates, Clause No. 3(iii)(a) (A) is not applicable.

c) As stated above, the company has not given any loans during the year. In respect of advances in the nature of loans given to employees, where the schedule of repayment /receipts are stipulated, the repayment/ receipts are regular.

d) In our opinion and according to the information and explanations given to us, no amount is overdue for repayment. Therefore, clause 3(iii)(d) is not applicable to the company.

- e) As per the information and explanations given to us, and based on our audit of the records, the Company has not granted any loans during the year. No cases were observed where any advance in the nature of loan granted to employees has fallen due during the year, or which has been renewed or extended or fresh loans granted by the company to settle the overdues of existing advances to such parties. Therefore, clause 3(iii)(e) of the Order is not applicable.
- f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. The Company has not granted any loans nor made any investments or given any guarantees and securities during the year. Accordingly, provisions of sections 185 and 186 are not applicable. Hence clause 3(iv) of the Order is not applicable.
- v. As per the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, clause 3(v) of the Order is not applicable.
- vi. In our opinion and according to the information an explanation given to us, the Company has maintained cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. However, we have not carried out a detailed examination of the above records.
- vii. In respect of statutory dues:
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and other material statutory dues applicable to it with the appropriate authorities. The company is not liable to sales tax, service tax, duty of excise, value added tax and cess. There are no arrears of outstanding statutory dues as at March 31, 2023 for a period of more than six months from the date they became payable except the following which is outstanding since February/ March 2020.

₹ in lakhs						
Name of the statute	Name of the Dues	Outstanding statutory due amount (Undisputed)	Period to which the amount relates	Due Date	Date of Payment	Remarks if any
Employee's State Insurance Act, 1948	Employee State Insurance dues.	0.30	February, 2020 & March, 2020	May 15, 2020	-	Due to technical problems at ESI Department has not been paid.

- b) In our opinion and as per the information and explanations given to us, statutory dues referred to in clause (a) Which have not been deposited on account of any dispute, are as under:

₹ in lakhs					
Name of the Statute	Nature of due	Amount Due	Amount paid	Period for which the amount related	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	*35.05	29.04	A.Y 2009-10	Income Tax Appellate Tribunal (ITAT) Hyderabad
		555.50	83.33	A.Y 2017-18	CIT (Appeals)
		2.15	Nil	A.Y 2019-20	CIT (Appeals)

*The honourable ITAT has decided the appeal in company's favour by dropping the disputed demand of ₹ 35.05 Lakhs as per its order dated October 5, 2016. However, appellate order effect is yet to be given by the income tax department.

- 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) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) In our opinion, the term loans were applied for the purpose for which these were obtained.
- (d) Based on the examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been utilised for long-term purposes by the Company.
- (e) Since the Company does not have any subsidiary, the question of taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries does not arise. Therefore, clause 3(ix)(e) of the Order is not applicable.
- (f) Since the Company does not have any subsidiaries, joint ventures or associate companies, the question of raising any loan on the pledge of securities held in their name does not arise. Therefore, clause 3(ix)(f) of the Order is not applicable.

- x. a) In our opinion and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer during the year were applied for the purposes for which those are raised, except the following unutilized balances, lying with the banks in current accounts (Escrow account), as per the terms and conditions of utilisation of the funds:

Purpose for which funds were raised by Initial public offer	Total Amount Raised	Utilized for the other purpose	Unutilized balance as at balance sheet date lying in the Current bank accounts	₹ in lakhs
				Details of default (Reason/Delay) Subsequently rectified (Yes/No)
1. Funding towards Capital Expenditure.	12,040 (Net off Issue expenses amounting to ₹ 965 lakhs)	Nil	5.76	There is no default during the year.
2. Funding towards Working capital Requirements.				
3. General Corporate Purposes.				

- b) As per the information and explanations given to us, the company has made private placement of shares during the year and complied with the requirements of section 42 and section 62 of the Companies Act, 2013. The funds raised have not yet been utilised as these funds were raised on March 31, 2023 and lying in the current bank account (Escrow account) as at the year end. The details of the money raised are as under:

Nature of Securities viz. Equity shares/ Preference shares/ Convertible debentures	Purpose for which funds were raised	Total Amount Raised	Amount utilized for the other purpose	₹ in lakhs
				Unutilized balance as at balance sheet date
Equity shares	Working Capital Purposes	7381.02	Nil	7381.02

The Company has not issued any Convertible debentures (fully, partially or optionally convertible) during the year.

- xi. (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year up to the date of this report.
- (c) As per the information and explanations given to us, since there were no whistle blower complaints received by the Company during the year, reporting under clause 3(xii) of the order is not applicable to the Company.
- xii. The Company is not a Nidhi Company. Therefore, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business. However it requires to be strengthened further.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date. However, we have not reassessed or modified our audit procedures in determining the nature, timing and extent of our audit based on these internal audit reports.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 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, clauses 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order are not applicable.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the question of conducting the above activities without a valid Certificate of Registration does not arise.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the condition of fulfilling the criteria for CIC is not applicable. The Company is neither an exempted nor an unregistered CIC and therefore the continuing the criteria of a CIC, by the Company are not applicable.
- (d) As per the information and explanations given to us, since the Company is not a Core Investment Company, the Group does not have any CIC investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and the also during the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Therefore, the question of taking into consideration any of issues, objections or concerns raised by the outgoing auditors does not arise. Accordingly, clause 3(xviii) of the Order is not applicable.

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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) As per the information and explanations given to us, since the Company does not have any other than ongoing projects, no unspent amount is required to

be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) In our opinion, there is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(c) Since the company is not a holding company, the clause 3(xx) of the order 2020 is not applicable.

For **R Kabra & Co LLP**

Chartered Accountants

(Firm Registration No. 104104502WW100721)

Sd/-

Deepa Rathi

Partner

Membership No.: 104808

UDIN: 23104808BGTSYA5335

Place: Hyderabad

Date: May 30, 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

on the Financial Statements of Hariom Pipe Industries Limited

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ 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”)

We have audited the internal financial controls over financial reporting of HARIOM PIPE INDUSTRIES LIMITED (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to these 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 system over financial reporting with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to these Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting with reference to these 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 Company’s internal financial control over financial reporting with reference to these 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 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 with reference to these Financial Statements.

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, 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 with reference to these Financial Statements

and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **R Kabra & Co LLP**
Chartered Accountants
(Firm Registration No. 104104502WW100721)

Sd/-
Deepa Rathi

Partner
Membership No.: 104808
UDIN: 23104808BGTSYA5335
Place: Hyderabad
Date: May 30, 2023

BALANCE SHEET

as at March 31, 2023

Particulars	Note No.	₹ in lakhs	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2(a)	13,324.79	5,351.40
(b) Capital work-in-progress	2(b)	10,318.72	1,006.02
(c) Right of use assets	2(c)	123.30	-
(d) Intangible Assets	2(d)	4.67	4.24
(e) Financial Assets			
(i) Other financial assets	3	95.52	57.56
(f) Other non-current assets	4	4,085.33	126.95
Total Non Current Assets		27,952.33	6,546.17
Current assets			
(a) Inventories	5	21,217.31	11,479.00
(b) Financial assets			
(i) Trade receivables	6	8,611.68	2,689.57
(ii) Cash and cash equivalents	7(a)	10,404.27	7.25
(iii) Bank balances other than (ii) above	7(b)	68.13	41.57
(iv) Other financial assets	8	14.62	-
(c) Other current assets	9	2,650.11	827.29
Total Current Assets		42,966.12	15,044.67
Total Assets		70,918.45	21,590.84
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	2,761.56	1,697.62
(b) Other equity	11	34,755.10	8,404.05
Total Equity		37,516.66	10,101.67
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	12,519.40	3,449.97
(ia) Lease liabilities	2(c)	121.74	-
(b) Provisions	13	33.16	35.93
(c) Deferred tax liabilities (Net)	14	424.30	314.95
Total Non Current Liabilities		13,098.60	3,800.85
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	17,082.41	5,296.22
(ia) Lease liabilities	2(c)	4.31	-
(ii) Trade payables	16	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,631.31	1,038.84
(iii) Other financial liabilities	17	874.93	401.74
(b) Other current liabilities	18	263.18	290.67
(c) Provisions	19	5.15	2.06
(d) Current tax liabilities (Net)	20	441.89	658.80
Total Current Liabilities		20,303.18	7,688.33
Total Equity and Liabilities		70,918.45	21,590.84

Significant accounting policies and notes to accounts

1 to 47

As per our report of even date annexed hereto.
FOR R KABRA & CO. LLP

Chartered Accountants
 Firm Registration No: 104502W/W100721

Sd/-

Deepa Rathi

(Partner)

Membership No: 104808

UDIN : 23104808BGTSYA5335

Place : Hyderabad

Date : May 30, 2023

On behalf of the Board

HARIOM PIPE INDUSTRIES LIMITED

Sd/-

Rupesh Kumar Gupta

(Managing Director)

DIN 00540787

Sd/-

Amitabha Bhattacharya

Chief Financial Officer

Place: Hyderabad

Date : May 30, 2023

Sd/-

Sailesh Gupta

(Whole Time Director)

DIN 00540862

Sd/-

Chirag Partani

Company Secretary

Membership No: A51269

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

Particulars	Note No.	₹ in lakhs	
		For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from operations	21	64,371.21	43,056.65
II Other income	22	74.82	271.50
III Total Income (I+II)		64,446.03	43,328.15
IV EXPENSES			
Cost of materials consumed	23	49,472.02	31,103.40
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(3,166.98)	(2,005.27)
Employee benefits expense	25	2,248.97	2,136.31
Finance costs	26	1,038.04	818.70
Depreciation and amortization expenses	2	942.45	810.53
Power and fuel		6,735.34	5,606.13
Other expenses	27	893.53	604.16
Total expenses (IV)		58,163.37	39,073.95
V Profit before tax (III-IV)		6,282.66	4,254.19
VI Tax expense:	28		
(1) Current tax		1,497.21	1,062.72
(2) Deferred tax		105.72	-41.54
(3) Tax related to earlier tax period		58.93	37.29
Total Tax Expense (VI)		1,661.86	1,058.47
VII Profit for the period from continuing operations (V-VI)		4,620.80	3,195.72
VIII Profit/(loss) from discontinued operations		-	-
IX Tax expenses of discontinued operations		-	-
X Profit from Discontinued operations (after tax) (VIII-IX)		-	-
XI Profit for the period (VII+X)		4,620.80	3,195.72
XII Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligation		(14.47)	7.79
Income tax relating to items that will not be reclassified to profit or loss		3.64	(1.97)
B. (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XIII Total Comprehensive Income for the period (XI+XII)		4,631.63	3,189.89
XIV Earnings per equity share (Face Value of ₹ 10 Each) (for continuing operation):	29		
(1) Basic		18.30	18.83
(2) Diluted		18.29	18.83

Significant accounting policies and notes to accounts

1 to 47

As per our report of even date annexed hereto.
FOR **R KABRA & CO. LLP**

Chartered Accountants
Firm Registration No: 104502W/W100721

Sd/-
Deepa Rathi
(Partner)
Membership No: 104808
UDIN : 23104808BGTSYA5335

Place: Hyderabad
Date: May 30, 2023

Annual Report 2022-23

On behalf of the Board
HARIOM PIPE INDUSTRIES LIMITED

Sd/-
Rupesh Kumar Gupta
(Managing Director)
DIN 00540787

Sd/-
Amitabha Bhattacharya
Chief Financial Officer

Place: Hyderabad
Date: May 30, 2023

Sd/-
Sailesh Gupta
(Whole Time Director)
DIN 00540862

Sd/-
Chirag Partani
Company Secretary
Membership No: A51269

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

A. Equity Share Capital

As at March 31, 2023

Particulars	₹ in lakhs				
	Opening balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the current period	Balance as at March 31, 2023
No. of Shares	1,69,76,204	-	1,69,76,204	1,06,39,425	2,76,15,629
Amount (in Lakhs)	1,697.62	-	1,697.62	1,063.94	2,761.56

As at March 31, 2022

Particulars	₹ in lakhs				
	Opening balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the current period	Balance as at March 31, 2022
No. of Shares	1,69,61,204	-	1,69,61,204	15,000	1,69,76,204
Amount (in Lakhs)	1,696.12	-	1,696.12	1.50	1,697.62

B. Other Equity

(1) For the year ended March 31, 2023

Particulars	₹ in lakhs						
	Share Application Money pending Allotment	Equity component of compound financial instruments	Capital Redemption Reserves	Reserves and surplus		Money received against Share Warrants	Total
				Securities premium	Retained Earnings		
Balance as at April 1, 2022	-	94.64	-	1,286.52	7,022.89	-	8,404.05
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	94.64	-	1,286.52	7,022.89	-	8,404.05
Additions during the year:							
(a) Total Comprehensive Income for the period	-	-	-	-	4,631.63	-	4,631.63
(b) Premium on issue of shares	-	-	-	19,303.81	-	-	19,303.81
(c) Share issue expenses	-	-	-	-487.24	-	-	-487.24
(d) CRR Created on redemption of Preference Share Capital	-	-	36.62	-	-36.62	-	-
(e) Equity Component transferred to Retained Earnings	-	-10.45	-	-	10.45	-	-
(f) Share Application Money pending Allotment (Equities and Warrants)*	15.09	-	-	-	-	-	15.09
(g) Money Received Against Share Warrants (refer note 11.2)	-	-	-	-	-	2,887.76	2,887.76
	15.09	-10.45	36.62	18,816.57	4,605.46	2,887.76	26,351.05
Balance as at March 31, 2023	15.09	84.19	36.62	20,103.09	11,628.36	2,887.76	34,755.10

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(2) For the year ended March 31, 2022

Particulars	Share Application Money pending Allotment	Equity component of compound financial instruments	Capital Redemption Reserves	Reserves and surplus		Money received against Share Warrants	Total
				Securities premium	Retained Earnings		
Balance as at April 1, 2021		94.64	-	1,455.18	3,833.00		5,382.82
Changes in accounting policy/prior period errors		-	-	-	-		-
Restated balance at the beginning of the current reporting period		94.64	-	1,455.18	3,833.00		5,382.82
Additions during the year:							
(a) Total Comprehensive Income for the period		-	-	-	3,189.89		3,189.89
(b) Premium on issue of shares		-	-	3.90	-		3.90
(c) Share issue expenses		-	-	-172.56	-		-172.56
		-	-	-168.66	3,189.89		3,021.23
Balance as at March 31, 2022		94.64	-	1,286.52	7,022.89		8,404.05

Description of the purposes of each reserves within equity (Refer note no. 11.1 to 11.3)

FOR **R KABRA & CO. LLP**

Chartered Accountants

Firm Registration No: 104502W/W100721

Sd/-

Deepa Rathi

(Partner)

Membership No: 104808

UDIN : 23104808BGTSYA5335

Place : Hyderabad

Date : May 30, 2023

On behalf of the Board

HARIOM PIPE INDUSTRIES LIMITED

Sd/-

Rupesh Kumar Gupta

(Managing Director)

DIN 00540787

Sd/-

Amitabha Bhattacharya

Chief Financial Officer

Place: Hyderabad

Date : May 30, 2023

Sd/-

Sailesh Gupta

(Whole Time Director)

DIN 00540862

Sd/-

Chirag Partani

Company Secretary

Membership No: A51269

STATEMENT OF CASH FLOWS

for the year ended march 31, 2023

Particulars	₹ in lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax for the year	6,282.66	4,254.19
Adjustments for:		
Interest income	(74.17)	(34.92)
Profit on sale of Property, Plant and Equipment	(0.55)	-
Depreciation and amortization expenses	942.45	810.53
Finance Charges other than interest on CFI	1,006.69	810.29
Interest on CFI	8.54	8.41
Gain on Modification of Compound Financial Instrument	-	(236.12)
Loss on Early Redemption of Compound Financial Instrument	22.82	-
Operating profit before working capital changes	8,188.44	5,612.38
Movement in working capital:		
(Increase)/Decrease Trade & other receivables	(7,780.40)	(1,170.05)
(Increase)/Decrease Inventories	(9,738.31)	(3,470.99)
Increase/(Decrease) Trade payables & other liabilities	1,046.47	76.88
Cash Generated From Movement in working capital	(16,472.24)	(4,564.16)
Less: Income taxes paid	(1,773.03)	(675.80)
Net cash flow From Operating Activities (A)	(10,056.84)	372.42
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment (Including Capital Advances)	(12,908.46)	(271.65)
Sale of Property, Plant & Equipment	9.00	-
(Increase)/ decrease in Capital-work-in progress	(9,312.70)	(172.77)
Purchase of Intangible Assets	(3.48)	(4.90)
(Increase) / decrease in fixed deposits	(30.00)	1.00
(Increase) / decrease in Other non-current assets	27.87	-
Interest received	65.89	32.42
Net cash flow used in investing activities - (B)	(22,151.88)	(415.90)

STATEMENT OF CASH FLOWS

for the year ended march 31, 2023

₹ in lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of Equity Shares	1,063.94	1.50
Proceeds from issue of Share Warrants	2,887.76	-
Share Application Money pending allotment	15.09	-
Redemption of Preference Shares	(36.62)	-
Securities premium on issue of shares	19,303.81	3.90
Issue Expenses amortised with securities premium	(487.24)	(172.56)
Increase in long term borrowings - Term loans from banks and others	11,625.79	1,147.85
Decrease in long term borrowings - Term loans from banks and others	(1,212.12)	(1,092.03)
Proceed/(Repayment) in short term borrowings - working capital loans	10,732.35	940.60
Proceed/(Repayment) in Other Borrowings	(151.67)	(45.50)
Finance Charges other than interest on CFI	(1,135.35)	(804.79)
Net Cash flow from Financing Activities (C)	42,605.74	(21.04)
Net increase/ (decrease) in Cash & cash equivalents (A+B+C)	10,397.02	(64.52)
Opening Balances of Cash and cash equivalents	7.25	71.76
Closing Balances of Cash and cash equivalents	10,404.27	7.25

Notes:

1 Statement of Cash Flows has been prepared under the indirect method as set out in the IND AS "Statement of Cash Flows" as prescribed in the Companies (Indian Accounting Standards), Rules 2015

2 Components of cash and cash equivalents

Cash on Hand	17.46	5.72
Balance with Banks:		
On Current Accounts	10,386.81	1.53
Total cash and cash equivalents (refer note 7(a))	10,404.27	7.25

3 Previous year figures have been regrouped/reclassified wherever considered necessary

4 The balance includes amount of ₹ 7,389.64 Lakhs (previous Year ₹ Nil) received against issue of equity shares on private placement basis (including share application money pending allotment - ₹ 8.62 Lakhs) and ₹ 2,894.21 Lakhs (previous year ₹ Nil) against issue of share warrants (including share application money pending allotment - ₹ 6.47 Lakhs) (previous year ₹ Nil), in Escrow Account

As per our report of even date annexed hereto.

FOR **R KABRA & CO. LLP**

Chartered Accountants

Firm Registration No: 104502WW100721

Sd/-

Deepa Rathi

(Partner)

Membership No: 104808

UDIN : 23104808BGTSYA5335

Place : Hyderabad

Date : May 30, 2023

On behalf of the Board

HARIOM PIPE INDUSTRIES LIMITED

Sd/-

Rupesh Kumar Gupta

(Managing Director)

DIN 00540787

Sd/-

Amitabha Bhattacharya

Chief Financial Officer

Place: Hyderabad

Date : May 30, 2023

Sd/-

Sailesh Gupta

(Whole Time Director)

DIN 00540862

Sd/-

Chirag Partani

Company Secretary

Membership No: A51269

NOTES

As at March 31, 2023

COMPANY BACKGROUND:

Hariom Pipe Industries Limited, (“the Company”) is a public limited Company incorporated in India under the Companies Act 1956 (now replaced with the Companies Act 2013) on June 21, 2007 with its registered office situated in Hyderabad, India the Company has grown consistently, securing a dominant position in South India as a premium manufacturer of iron and steel products, catering to diverse industrial needs across multiple sectors. The Company has three manufacturing units situated as under:

- a) Works 3-45/1, Sy.No.62 & 63, Sheriguda Paddayapally (G.P.) Balanagar Mahbubnagar, Telangana
- b) Survey number 98, D Hirehal Village, Ananthapur, Andhra Pradesh.
- c) Plot No. B-15 to B-28, SIPCOT INDL, Growth Centre, Perundururai Erode, Tamil Nadu.

The Company is listed on Bombay stock Exchange (BSE) (BSE scrip code-543517) and National Stock Exchange (NSE) (NSE symbol- HARIOMPIPE) from April 13, 2022.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance:

The company’s financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Ministry of Corporate Affairs under section 133 of the Companies Act 2013 (“the Act”). In addition, the Guidance Notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) from time to time are also applied except where compliance with other statutory promulgations require a different treatment. These financial statements have been approved for issue by the Board of Directors at their meeting held on May 30, 2023.

(b) Basis of preparation:

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost. Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;

Level 2 - inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable inputs for the valuation of assets/liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

(c) Presentation of financial statements

The Ind AS Balance Sheet, the Ind AS Statement of Profit and Loss and Ind AS statement of Change in Equity are prepared and presented in the format prescribed in the Schedule III Division (ii) to the Act. The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash flows”. The disclosure requirements with respect to items in the Balance Sheet, Statement of Profit and Loss and statement of Change in Equity as prescribed in the Schedule III Division (ii) to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified IND AS.

(d) Use of estimates and critical accounting judgments:

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

The following are the critical judgments, apart from those involving estimations that the directors have made in the process of applying the Company’s accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

NOTES

As at March 31, 2023

Deferred income tax assets and liabilities:

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets/ (Liabilities) could change if estimates of projected future taxable income or if tax regulations undergo a change.

Income Taxes:

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charges in the Statement of Profit or Loss.

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss."

Useful lives of Property, plant and equipment ('PPE'):

The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans:

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of Compound Financial Instruments:

The Company recognizes separately the components of a financial instrument that (a) creates a financial liability of the entity and (b) grants an option to the holder of the instrument to convert it into an equity instrument of the entity. From the perspective of the Company, such an instrument comprises two components: a financial liability (a contractual arrangement to deliver cash or another financial asset) and an equity instrument (a call option granting the holder the right, for a specified period of time, to convert it into a fixed number of ordinary shares of the entity).

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has assessed the impact of Covid-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventories, and trade receivables. Based on current estimates, the Company expects the carrying amount of these assets will be recovered. Further, the management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long-term. The Company will continue to closely monitor any material changes to future economic conditions.

(e) Current and non-current classification and operating cycle:

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

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

it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

it is held primarily for the purpose of being traded;

it is expected to be realised within twelve months after the reporting date; or

it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

NOTES

As at March 31, 2023

Liabilities:

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

it is expected to be settled in the Company's normal operating cycle;

it is held primarily for the purpose of being traded;

it is due to be settled within twelve months after the reporting date; or

the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other assets/ liabilities are classified as non-current.

(f) Functional and presentation currency:

The financial statements are presented in Indian rupee (INR) (rounded off to Rs. In lakhs), which is functional and presentation currency.

(g) Revenue recognition:

The revenue is recognized once the entity satisfied that the performance obligation & control are transferred to the customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of Variable consideration on account of.

(i) Sale of goods:

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods in accordance with IND AS 115 "Revenue from Contracts with Customers". To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

(ii) Other income

A. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

B. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

(h) Foreign currency translation:

(i) The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(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 gains and losses 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 Statement of Profit and Loss.

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 gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/ (losses).

(i) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Company has a single operating segment as the operating results of the Company are reviewed on an overall basis by the CODM.

NOTES

As at March 31, 2023

(j) Exceptional items:

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

(k) Property, plant and equipment and capital work-in-progress:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, net of tax/duty credits availed, if any, and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Subsequent costs are included in the asset's carrying amount 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Land acquired on lease for period exceeding 90 years is recognized as leasehold land at the cost, at the time of lease commencement. Any initial direct cost related to acquiring leasehold land (including expenses incurred to bring the land into use) are capitalized and included in the cost of asset. The policy is based on the understanding that leasehold land is generally considered to have an extended economic life and does not experience a significant decline in value over the lease terms. Leasehold land will not be subject to depreciation

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising of direct cost, related incidental expenses and attributable interest in case of qualifying assets.

Any excess of net sale proceeds of items produced over the cost of testing, if any, is deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is

expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Capital work-in-progress:

Projects under which tangible Property, Plant & Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, net of tax/duty credits availed, if any, related incidental expenses and attributable interest, in case of qualifying assets.

Depreciation methods, estimated useful lives and residual value:

Depreciation is systematically allocated over the useful life of the asset as specified in Schedule II of the Act. Depreciation on property, plant and equipment added/disposed of during the year is provided on pro-rata basis with reference to the date of addition/disposal. Freehold land is not depreciated.

(l) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

- A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- B. the company has intention to complete the intangible asset and use or sell it;
- C. the company has ability to use or sell the intangible asset;
- D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
- E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

NOTES

As at March 31, 2023

- F. the company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “intangible assets under development”. Intangible assets are amortized on straight line basis over the estimated useful life. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset’s revised carrying amount over its remaining useful life.

(m) Impairment of assets:

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the assets do not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

(n) Employee benefits:

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period

and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Other long-term employee benefit obligations:

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 twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations:

Defined contribution plans: The Company’s contribution to provident fund are considered as defined contribution plans and are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by fair value of plan assets (being the funded portion).

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund managed by an insurance company.

(o) Lease

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

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- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Company has the right to direct the use of the asset

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

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

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

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

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

(p) Financial instruments – initial recognition, subsequent measurement and impairment:

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

A. Investments and other financial assets

(i) 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), and
- those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.

The classification criteria of the Company for debt instruments are provided as under:

Debt instruments:

Depending upon the business model of the Company, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly 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 or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) **Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its 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. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables 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 the receivables.

Expected credit losses are measured through a loss allowance at an amount equal to the following:

- (a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or
- (b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income.

(iv) **Derecognition of financial assets:**

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- 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 Company 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 derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised 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.

B. Financial Liabilities:

(a) **Classification:**

The Company classifies its financial liabilities in the following measurement categories:

- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

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(b) Measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognised at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at Amortized Cost:

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities 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.

(c) De-recognition of financial liability:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the statement of profit or loss as other income or finance costs.

(d) Compound financial instruments:

Compound financial instruments issued by the company which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by separately recognising the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

(q) 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.

(r) Inventories:

Raw materials, consumable stores, stores and spares, and finished goods inventories are valued at the lower of cost (using weighted average method) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, net of recoveries, if any, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Raw materials and stores are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

(s) Cash and cash equivalents:

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

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(t) Securities premium account:

Securities premium includes the difference between the face value of the shares and the consideration received in respect of shares issued.

The issue expenses of securities which qualify as equity instruments are written off against securities premium account, if and when such expenses are incurred, and as per the decision of the management.

(u) Borrowing costs:

General and specific borrowing costs (includes interest expense calculated using the effective interest method, other costs and expenses in relation to the borrowing) 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.

All other borrowing costs are recognised in profit or loss in the period in which these are incurred.

(v) Cash Flow Statement:

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

(w) Income tax:

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to 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. 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 in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period 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. Minimum Alternate Tax (MAT) is not recognized as a deferred tax asset as the company is not liable for MAT tax

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.

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

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income. In such case, the tax is also recognised in Other Comprehensive Income.

(x) Provisions:

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. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

In case of onerous contracts, the company recognizes the impairment losses if any, occurred on assets used in fulfilling the contract.

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(y) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(z) Earnings per share:

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

(za) 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 Statement of Profit and Loss over the period of the borrowings. 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. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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 Statement of Profit and Loss as other gains/(losses).

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(zb) Standards issued but not effective.

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

Ind AS 107 – Financial Instrument

Ind AS 109 – Financial Instrument

Ind AS 115 - Revenue from contracts with customers

Ind AS 1 – Presentation of Financial Statements

Ind AS 34 – Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

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As at March 31, 2023

Note no. 2(a): Property, plant and equipment As at March 31, 2023

Property, plant and equipment	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2022	Additions	Deletions	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at March 31, 2022
(a) Land	204.68	-	-	-	-	-	204.68	204.68
(b) Leasehold Land	-	690.20	-	-	-	-	690.20	-
(c) Buildings	1,849.14	812.55	-	605.82	145.22	-	1,910.65	1,243.32
(d) Plant and Equipment:								
Plant & machinery	1,710.54	4,827.62	-	914.90	227.83	-	5,395.43	795.64
Pollution equipment's	120.42	311.87	-	50.59	12.12	-	369.57	69.82
Tools components, spares and others	3,286.44	604.42	-	1,362.70	255.92	-	2,272.24	1,923.74
Rolls	437.73	342.33	-	223.63	61.14	-	495.30	214.10
Solar panels	3.75	7.14	-	0.97	0.51	-	9.41	2.78
Furniture and Fixtures	21.22	30.37	-	7.98	12.31	-	31.29	13.24
(f) Vehicles	247.16	252.55	36.41	173.41	44.78	27.96	273.07	73.75
(g) Office equipment's	29.47	16.07	-	18.84	6.78	-	19.93	10.64
(h) Electrical equipment's	1,727.80	1,012.09	-	939.19	160.98	-	1,639.72	788.61
(i) Air conditioners	8.38	1.51	-	3.19	2.13	-	4.58	5.19
(j) Computers	19.13	8.08	-	13.23	5.25	-	8.73	5.89
Total	9,665.86	8,916.80	36.41	4,314.45	934.96	27.96	13,324.79	5,351.40

As at March 31, 2022

Description	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2021	Additions	Deletions	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at March 31, 2021
(a) Land	204.68	-	-	-	-	-	204.68	204.68
(b) Leasehold Land	-	-	-	-	-	-	-	-
(c) Buildings	1,847.01	2.13	-	472.39	133.43	-	1,243.32	1,374.62
(d) Plant and Equipment:								
Plant & machinery	1,710.54	-	-	782.00	132.90	-	795.64	928.54
Pollution equipment's	103.79	16.63	-	40.18	10.42	-	69.82	63.61
Tools components, spares and others	3,180.87	105.58	-	1,102.60	260.10	-	1,923.74	2,078.27
Rolls	344.40	93.33	-	160.70	62.92	-	214.10	183.70
Solar panels	3.75	-	-	0.75	0.22	-	2.78	3.00
Furniture and Fixtures	6.92	14.30	-	4.62	3.36	-	13.24	2.29
(f) Vehicles	223.74	23.42	-	151.44	21.97	-	73.75	72.30
(g) Office equipment's	23.57	5.90	-	13.10	5.74	-	10.64	10.48
(h) Electrical equipment's	1,727.07	0.73	-	764.94	174.25	-	788.61	962.14
(i) Air conditioners	4.48	3.90	-	2.27	0.92	-	5.19	2.21
(j) Computers	13.38	5.75	-	9.59	3.65	-	5.89	3.79
Total	9,394.21	271.65	-	3,504.58	809.87	-	5,351.40	5,889.62

2(a)(i): All the Property, plant and equipment are secured as primary securities against secured loans and as collateral securities for working capital finance with the respective financiers (Refer Note 12 and 15)

2(a)(ii): Addition to the PPE includes assets added by purchase of GP unit, at Perundurai, Erode, Tamilnadu ₹ 2,791 lakhs

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As at March 31, 2023

2(B): Capital Work-In-Progress As at March 31, 2023

Particulars	(₹ in Lakhs)			
	As at April 1, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023
Buildings	24.16	2,491.87	784.75	1,731.28
Electrical equipments	185.55	1,429.89	454.83	1,160.61
Plant & machinery	106.42	9,089.41	2,930.39	6,265.44
Pollution equipments	60.49	608.20	60.49	608.20
Rolls	189.45	102.88	292.33	-
Tools components, spares and others	439.94	656.72	543.47	553.19
Total	1,006.02	14,378.96	5,066.26	10,318.72

As at March 31, 2022

Particulars	(₹ in Lakhs)			
	As at April 1, 2021	Additions	Disposal/ Adjustments	As at March 31, 2022
Buildings	3.47	20.69	-	24.16
Electrical equipments	196.76	38.07	49.28	185.55
Plant & machinery	45.13	61.29	-	106.42
Pollution equipments	60.49	-	-	60.49
Rolls	162.70	57.31	30.55	189.45
Tools components, spares and others	364.70	214.67	139.42	439.94
Total	833.25	392.02	219.25	1,006.02

2(b)(i): Capital work-in-progress includes borrowing cost capitalised during the year ₹ 169.50 Lakhs, (Previous year ₹ 12.28 Lakhs).

2(b)(ii): All the Capital work-in-progress are secured as primary securities against secured loans and as collateral securities for working capital finance with the respective financiers (Refer Note 12 and 15)



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As at March 31, 2023

2(b)(ii): CWIP aging schedule As at March 31, 2023

	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital Work in Progress					
Projects in progress	10,318.72	-	-	-	10,318.72
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022					
Capital Work in Progress					
Projects in progress	392.02	614.00	-	-	1,006.02
Projects temporarily suspended	-	-	-	-	-

2(b)(iii): There are no CWIP whose completion is overdue or has exceeded its cost compared to its original plan

2(c) Right of use assets and lease liabilities

As at March 31, 2023

Particulars	Gross Block		Accumulated Depreciation		Net Block	
	As at April 1, 2022	As at March 31, 2023	As at April 1, 2022	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Building	-	127.73	-	4.44	123.30	-
Total	-	127.73	-	4.44	123.30	-

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(ii) Above ROU assets have been pledged as security for term loans taken as at March 31, 2023. (Refer Note 12 and 15)

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As at March 31, 2023

(iii) The Break-up of current and non-current lease liabilities is as under:

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Current lease liability	4.31	-
Non-current lease liability	121.74	-
Total	126.05	-

(iv) The Movement in lease liabilities during the year is as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Opening Balance at the April, 01	-	-
Additions	127.73	-
Finance cost accrued during the year	4.82	-
Payment of lease liabilities	(6.50)	-
Closing Balance as at March, 31	126.05	-

(v) The Details regarding the contractual maturities of lease liabilities on an undiscounted basis is as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Less than one year	15.60	-
One to five years	84.05	-
More than five years	111.05	-
Total	210.70	-

(vi) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(vii) The Company has accounted for short term lease as per paragraph 6 of Ind AS 116. The expense relating to short term lease is accounted for as Rent expenses in the statement of profit & loss amounting to ₹ 25.93 Lakhs for the year ended March 31, 2023 and ₹ 16.80 Lakhs for the year ended March 31, 2022

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As at March 31, 2023

2(d): Intangible Assets As at March 31, 2023

Particulars	Gross Block		Accumulated Depreciation		Net Block	
	As at April 1, 2022	As at March 31, 2023	As at April 1, 2022	Additions	As at March 31, 2023	As at March 31, 2022
Softwares	4.90	8.38	0.66	3.05	3.71	4.24
Total	4.90	8.38	0.66	3.05	3.71	4.24

As at March 31, 2022

Particulars	Gross Block		Accumulated Depreciation		Net Block	
	As at April 1, 2021	As at March 31, 2022	As at April 1, 2021	Additions	As at March 31, 2022	As at March 31, 2021
Softwares	-	4.90	-	0.66	0.66	-
Total	-	4.90	-	0.66	0.66	-

2(e) Additional Notes:

- i. Property, plant and equipment (including capital work-in-progress) and intangible assets were tested for impairment during the year and there has not been any impairment
- ii. The Company has not revalued its Property, Plant and Equipment or intangible assets during the year

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As at March 31, 2023

3 Other Financial Assets

		(₹ in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)			
At Amortised Cost			
	Security deposits	12.83	7.42
	Fixed Deposits with banks for more than 12 months maturity	82.69	50.14
	Total	95.52	57.56
Note : Security deposits are primarily in relation towards rent deposits and deposits with supplier			
3.1	Out of the above, fixed deposits kept under lien against bank guarantee issued by the bank in favour of:		
	(a) Pollution Control Board	0.96	0.92
	(b) National Highway Authority	1.62	1.55
		2.58	2.47
3.2	Fixed deposits kept as collateral against loan with Canara Bank	49.94	47.67
	Fixed deposits kept as collateral against loan with HDFC Bank	30.16	-
		82.69	50.14

4 Other non-current assets

		(₹ in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
	a) Capital Advances	4,027.17	35.50
	b) Advances to Employees	33.68	43.53
	c) Hariom Employees Gratuity Trust	17.92	16.80
	d) Deposit with Govt. Authorities	6.56	31.12
	Total	4,085.33	126.95
4.1	Advances due from officer of the company	13.17	20.87

5 Inventories

		(₹ in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
	Raw materials	6,776.08	1,140.31
	Finished goods	8,710.42	5,596.73
	Stores, spares and consumables	5,677.53	4,741.96
	Scrap & Wastage	53.28	-
	Total	21,217.31	11,479.00

5.1 All the above inventories are secured as a primary security against working capital finance and as collateral securities against property, plant and equipment (except vehicle loans from other banks/financial institutions) to Canara bank and HDFC Bank

5.2 For mode of valuation of inventories, please refer note 1(r) of the significant accounting policies

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As at March 31, 2023

5.3 Details of stock-in-transit:

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Raw materials	28.28	-
Total	28.28	-

6 Trade receivables

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
a) Considered Good-Secured	-	-
b) Considered Good-Unsecured	8,611.68	2,689.57
c) Significant increase in Credit Risk	-	-
b) Credit Impaired	-	-
Total	8,611.68	2,689.57
Less: Allowance for Credit loss	-	-
Total	8,611.68	2,689.57

6.1 Ageing of trade receivable are as follows:

As at March 31, 2023

	(₹ in Lakhs)					
Particulars	Less than 6 months	6 months and 1 year	1 year to 2 year	2 years to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	8,611.68	-	-	-	-	8,611.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

As at March 31, 2022

	(₹ in Lakhs)					
Particulars	Less than 6 months	6 months and 1 year	1 year to 2 year	2 years to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,689.57	-	-	-	-	2,689.57
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

- 6.2 Trade receivable include the amounts due from a firm in which the directors are partners 924.57 502.22
- 6.3 All the above trade receivables are secured as a primary security against working capital finance and as collateral securities against property, plant and equipment (except vehicle loans from other banks / financial institutions) to Canara bank and HDFC Bank.
- 6.4 There are no outstanding receivables due from directors or other officers of the Company

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As at March 31, 2023

7(a) Cash and cash equivalents

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Cash on Hand	17.46	5.72
Balance with banks		
On Current accounts (Refer Note 7(a)(ii))	10,386.81	1.53
Total	10,404.27	7.25

7(a)(i) Cash and bank balances are denominated and held in INR

7(a)(ii) The balance includes amount of ₹ 7,389.64 Lakhs (previous Year ₹ Nil) received against issue of equity shares on private placement basis (including share application money pending allotment - ₹ 8.62 Lakhs) and ₹ 2,894.21 Lakhs (previous year ₹ Nil) against issue of share warrants (including share application money pending allotment - ₹ 6.47 Lakhs) (previous year ₹ Nil), in Escrow Account.

7(b) Bank balances other than Cash and cash equivalents

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Recurring Deposits with Banks	68.13	41.57
Total	68.13	41.57

7(b)(i) The above recurring deposits is under lien as cash collateral security with Canara Bank.

8 Other financial assets

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Interest Accrued	5.72	-
Insurance Claim Receivable	8.90	-
Total	14.62	-

9 Other current assets

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
(a) Advances other than capital advances		
(i) Security deposits with electricity board	349.47	156.01
(ii) Security deposits against IPO	134.01	159.55
(iii) Advance to suppliers	250.93	273.74
(iv) Loans to employees	16.09	24.22
(v) Others:		
Prepaid expenses	8.54	21.14
Balances with government authorities		
(i) Goods and services tax (GST) credit receivable	1,774.95	159.82
(ii) Sales-tax receivable	0.85	0.85
(iii) Excise Duty	0.07	0.07
(iv) Income tax receivable	115.20	31.88
Total	2,650.11	827.29
9.1 No advances are due from directors of the company, firms in which a director is a partner or private companies in which director is a director or a member either severally or jointly with any other person		
9.2 Advances due from officer of the company	4.64	2.53

NOTES

As at March 31, 2023

Note 10 Equity Share Capital

		(₹ in Lakhs)			
Particulars	As at March 31, 2023		As at March 31, 2022		
	No. of Shares	Amount	No. of Shares	Amount	
10.1 Authorised Equity Share capital					
Equity Shares of ₹ 10/- each with voting rights	3,66,83,800	3,668.38	2,46,83,800	2,468.38	
10.2 & 10.3 Issued Subscribed & Paid Up Capital					
Equity Shares of ₹ 10/- each with voting rights	2,76,15,629	2,761.56	1,69,76,204	1,697.62	

10.4 Reconciliation of no. of equity shares at the beginning and at the end of the year

		(₹ in Lakhs)			
Particulars	As at March 31, 2023		As at March 31, 2022		
	No. of Shares	Amount	No. of Shares	Amount	
At the beginning of the year	1,69,76,204	1,697.62	1,69,61,204	1,696.12	
(a) Fresh issue of shares	1,06,39,425	1,063.94	15,000	1.50	
(b) Buyback of shares	-	-	-	-	
At the year end March 31,	2,76,15,629	2,761.56	1,69,76,204	1,697.62	

10.5 (a) 85,00,000 equity shares of ₹ 10 each at a premium of ₹ 143 per share consisting of equity share capital ₹ 850 lakhs and share premium ₹ 12,155 lakhs, aggregating to ₹ 13,005 lakhs, on its Initial Public Issue (IPO) on listing with the BSE Limited and National Stock Exchange Limited, on April 13, 2022.

(b) 21,39,425 equity shares of ₹ 10 each at a premium of ₹ 335 per share, consisting equity share capital ₹ 213.94 lakhs and share premium ₹ 7,167.07 lakhs, aggregating to ₹ 7,381.02 lakhs, issued on a private placement basis, on March 31, 2023.

10.6 Equity shareholders holding more than 5% equity shares:

Particulars	As at March 31, 2023		As at March 31, 2022	
	% of shares	No. of shares	% of shares	No. of shares
Rupesh Kumar Gupta	15.19%	41,93,847	24.70%	41,93,847
Sailesh Gupta	10.63%	29,36,222	17.30%	29,36,222
Rupesh Kumar./Shailesh Gupta./Rakesh Kumar Gupta	8.45%	23,33,338	13.74%	23,33,338
Ansh Commerce Private Limited	7.18%	19,81,665	11.67%	19,81,665
Rakesh Kumar Gupta	5.94%	16,40,000	9.66%	16,40,000
Sunita Gupta			6.34%	10,75,720
Parul Gupta			5.34%	9,05,968

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As at March 31, 2023

Shareholding by Promoters:

Equity Shares:

As at March 31, 2023

10.7	Shares held by promoters at the period end			% Change during the year
	Promoter Name	No. of Shares	(*) %of total shares	
	Rupesh Kumar Gupta	41,93,847	15.19%	-9.51%
	Sailesh Gupta	29,36,222	10.63%	-6.67%

*The change in the promoters shareholding in percentage terms is due to issue of equity shares to other members during the year.

As at March 31, 2022

10.8	Shares held by promoters at the period end			% Change during the year
	Promoter Name	No. of Shares	(*) %of total shares	
	Rupesh Kumar Gupta	41,93,847	24.70%	0.03%
	Sailesh Gupta	29,36,222	17.30%	0.01%

*The change in the promoters shareholding in percentage terms is due to issue of equity shares to other members during the year.

10.9 The above shareholding represents both legal and beneficial ownerships of shares, as per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest

10.10 Terms/rights attached to equity shares:

Each holder of equity share is entitled to (i) voting rights, (ii) dividends if any declared by the board subject to approval of the shareholders (except in case of interim dividends), and (iii) proportionate share in the distribution of surplus assets of the company after payment of all preferential payments, on the liquidation.

	Particulars	As at March 31, 2023	As at March 31, 2022
10.11	The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years i.e. on December 23, 2017, as at the year end	89,53,647	89,53,647
10.12	The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended	-	-
10.13	The aggregate number of equity shares brought back in immediately preceding five years ended	-	-

10.14 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

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As at March 31, 2023

Note 11 Other Equity

Particulars	(₹ in Lakhs)						
	Share Application Money pending Allotment	Equity component of compound financial instruments	Capital Redemption Reserves	Reserves and surplus		Money received against Share Warrants	Total
				Securities premium	Retained Earnings		
Balance as at April 1, 2022	-	94.64	-	1,286.52	7,022.89	-	8,404.05
Additions during the year:							
(a) Total Comprehensive Income for the period/year	-	-	-	-	4,631.63	-	4,631.63
(b) Premium on issue of equity shares	-	-	-	19,303.81	-	-	19,303.81
(c) Share issue expenses	-	-	-	(487.24)	-	-	(487.24)
(d) CRR Created on redemption of Preference Share Capital	-	-	36.62	-	(36.62)	-	-
(e) Equity Component transferred to Retained Earnings	-	(10.45)	-	-	10.45	-	-
(f) Share Application Money pending Allotment (Equities and Warrants)*	15.09	-	-	-	-	-	15.09
(g) Money Received Against Share Warrants (refer note 11.2)	-	-	-	-	-	2,887.76	2,887.76
	15.09	(10.45)	36.62	18,816.57	4,605.46	2,887.76	26,351.05
Balance as at March 31, 2023	15.09	84.19	36.62	20,103.09	11,628.36	2,887.76	34,755.10
Balance as at April 1, 2021	-	94.64	-	1,455.18	3,833.00	-	5,382.82
Additions during the year:							
(a) Total Comprehensive Income for the period/year	-	-	-	-	3,189.89	-	3,189.89
(b) Premium on issue of shares	-	-	-	3.90	-	-	3.90
(c) Share issue expenses	-	-	-	(172.56)	-	-	(172.56)
	-	-	-	(168.66)	3,189.89	-	3,021.23
Balance as at March 31, 2022	-	94.64	-	1,286.52	7,022.89	-	8,404.05

*Share application money includes an amount of ₹ 6.47L towards money received against share warrant pending allotment

11.1 Term and conditions of compound financial instruments - Preference Shares

0 % Series A Redeemable Non Cumulative Preference Shares

33,16,200.0% Series A Redeemable Non Cumulative Preference Shares of ₹ 10 each

Terms and conditions

- The 0% Series A Redeemable Preference Shares of ₹ 10/- be redeemed at par, without any premium, and shall be redeemed by the Company at any time within 20 years from the date of issue.
- The 0% Series A Redeemable Preference Shares of ₹ 10/- shareholders are vested with right of put option for redemption of share at any time, before the company calls for redemption.
- These preference shareholders have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Act.
- The RNCPS are non-participating shares in the surplus funds;
- The RNCPS carry a preferential right vis-a-vis Equity Shares of the Company with respect to repayment in case of winding up or repayment of capital.

NOTES

As at March 31, 2023

11.2 Money received against Share Warrants

The Board of Directors has allotted 33,48,125 Share Warrants on March 31, 2023 at a price of ₹ 345/- per warrant aggregating to ₹ 11,551.03 Lakhs convertible into 1 equity share per warrant subject to terms and conditions of the issue. The company has received 25% of the total consideration on allotment of the Share Warrants as per the terms and conditions of the issue aggregating to ₹ 2,887.76 Lakhs. Further, the Board has also allotted 7,500 Share warrants on the same price as above aggregating to ₹ 25.86 Lakhs on April 6, 2023 out of which 25% of the total consideration has been received aggregating to ₹ 6.47 Lakhs. The Balance 75% of the consideration aggregating to ₹ 8,682.65 Lakhs on these warrants are payable at any time but not after 18 months from the date of allotment of warrants i.e. March 31, 2023 and April 6, 2023 on the exercise of the option by the warrant holders.

11.3 Nature and purpose of creation and utilisation of reserves

11.3.1 Securities Premium: Securities premium is created on excess amount received over and above the face value on issue of the shares and securities. The securities premium can be utilised in accordance with the provisions of Section 52 of the Companies Act 2013. These include issue of bonus shares and writing of expenses incurred such as commission etc. on issue of shares/ securities.

11.3.2 Capital Redemption Reserve(CRR): The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

11.3.3 Retained Earnings: Retained earnings are the profits (including Other Comprehensive income) that the company has earned till date, less any transfer to general reserve, dividends or other distribution or the distributions paid to the shareholders.

12 Borrowings - Non Current

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Secured:		
(a) Term Loans :		
(i) From banks - Canara Bank (Other than Vehicle loans) (Refer Note No. 12.1.1)	8,180.61	3,157.28
- HDFC Bank (Other than Vehicle loans) (Refer Note No. 12.1.1)	4,103.50	-
- HDFC Bank (Vehicle Loans) (Refer Note No. 12.1.3)	114.32	-
	12,398.43	3,157.28
Unsecured:		
(a) Vehicle Loans		
(i) From banks - HDFC Bank (Refer Note No. 12.1.3)	-	8.71
(ii) From Others - Kotak Mahindra Prime Ltd (Refer Note No. 12.1.4)	5.75	11.83
	5.75	20.54
(b) Loans from related parties		
- From Directors	-	151.66
(c) Compound financial instruments - Preference shares (Refer note:- 12.2 and 12.3)	115.22	120.48
Total	12,519.40	3,449.97

NOTES

As at March 31, 2023

12.1 Note (i) Term and conditions for repayment of loan

		(₹ in Lakhs)			
		As at March 31, 2023		As at March 31, 2022	
		Non Current	Current	Non Current	Current
12.1.1	<p>Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.</p> <p>The loan is taken from Canara Bank MCB Branch and is repayable in 58 monthly instalments starting from Jun'2019 till Mar' 2024. Applicable Rate of Interest for the FY 2022-23 is 12.15% (Applicable Rate of Interest for FY 2021-22 is 10.10%)</p>	158.42	633.69	825.80	600.00
	<p>Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.</p> <p>The loan is taken from Canara Bank MCB Branch and is repayable in 48 monthly instalments starting from Jan'2024 till Dec' 2027. Applicable Rate of Interest for the FY 2022-23 is 9.35% (Applicable Rate of Interest for FY 2021-22 is 7.41%)</p>	1,057.53	69.70	1,126.92	1.17
	<p>Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.</p> <p>The loan is taken from Canara Bank LCB Branch and is repayable in 84 monthly instalments. Applicable Rate of Interest for the FY 2022-23 is 9.10%</p>	6,240.39	896.00	-	-
	<p>Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.</p> <p>The loan is taken from Canara Bank MCB Branch and is repayable in 48 monthly instalments starting from Apr'2021 till Mar' 2025. Applicable Rate of Interest for the FY 2022-23 is 13.56% (Applicable Rate of Interest for FY 2021-22 is 10.92%)</p>	240.40	238.60	479.23	236.86
	<p>Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members.</p> <p>The loan is taken from Canara Bank MCB Branch and was repayable in 18 monthly instalments starting from Jan'2021 till Jun' 2022. Applicable Rate of Interest for the FY 2022-23 is 7.93% (Applicable Rate of Interest for FY 2021-22 is 7.93%)</p>	-	-	-	54.47

NOTES

As at March 31, 2023

(₹ in Lakhs)

	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Term Loan is Secured by Primary Charge on Equitable Mortgage of all Land & Building, existing Plant & Machinery and Other Fixed Assets, Present & future except for the Fixed assets located at Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with HDFC bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members. The loan is taken from Canara Bank MCB Branch and is repayable in 48 monthly instalments starting from Apr'2022 till Mar' 2026. Applicable Rate of Interest for the FY 2022-23 is 9.28% (Applicable Rate of Interest for FY 2021-22 is 7.65%)	483.86	241.85	725.34	242.08
Total (a)	8,180.61	2,079.83	3,157.28	1,134.58
Term Loan is Secured by Primary Charge on Equitable Mortgage of Factory Land and Building, Plant & Machinery and Other Fixed Assets, Present and Future located at - Plot No. B-15 to B-28, SIPCOT Industrial Growth Centre, Perundurai, ERODE(Distt.), Tamilnadu-638052. Further the said term loan is secured by pari pasu charge with canara bank on the entire present and future current assets of the company and also guaranteed by two Directors of the Company and their family members. Loan is taken from HDFC Bank Richmond Road Branch and is repayable in 72 monthly instalments. Applicable Rate of Interest for the FY 22-23 is 8.25%	4,103.50	100.10	-	-
Total (b)	4,103.50	100.10	-	-
12.1.2 Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from Canara Bank is repayable in monthly 60 instalments till Jan'2023. Applicable Rate of Interest is 7.85%	-	0.61	-	2.94
Total (c)	-	0.61	-	2.94
12.1.3 Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till May' 2026. Applicable Rate of Interest is 7.35%	7.10	2.92	-	-
Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till June' 2026. Applicable Rate of Interest is 7.60%	9.60	3.77	-	-
Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 48 monthly instalments till September' 2026. Applicable Rate of Interest is 8.15%	10.02	3.47	-	-
Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till February' 2028. Applicable Rate of Interest is 8.50%	29.02	5.99	-	-
Secured by Primary Charge on Vehicle Purchased out of Loan. Loan taken from HDFC Bank is repayable in 60 monthly instalments till April' 2028. Applicable Rate of Interest is 8.40%	58.58	10.62	-	-
Total (d)	114.32	26.77	-	-
Total Secured Borrowings (a+b+c+d)	12,398.43	2,207.31	3,157.28	1,137.52
Note (ii) Term and conditions for repayment of loan other than bank as follows:-				
12.1.4 Vehicle Purchased out of Loan. Loan taken from Kotak Mahindra Prime Ltd. is repayable in 60 monthly instalments till Jan'2023. Applicable Rate of Interest is 7.75%	-	-	-	9.61
Vehicle Purchased out of Loan. Loan taken from Kotak Mahindra Prime Ltd. is repayable in 36 monthly instalments till Feb'2025. Applicable Rate of Interest is 7.15%	5.75	5.98	11.83	5.57
Vehicle Purchased out of Loan. Loan taken from HDFC Bank was repayable in 60 monthly instalments till May' 2024. Applicable Rate of Interest is 9.25%	-	-	8.71	6.75
Total Unsecured Borrowings (e)	5.75	5.98	20.54	21.94

NOTES

As at March 31, 2023

12.2 The Company had issued in FY 2015-16, Zero percent (0%) Redeemable Non Cumulative Preference Shares (NCPS) with an option to the Board to redeem these NCPSs at a premium of 5 % at any time within a period of 5 years or at a premium of 10% within a period of 10 years or at a premium of 20% if the shares are redeemed after a period of 10 years. As the tenure of Preference Shares was about to complete 5 years the Board initiated the process for KYC and redemption of the said preference shares with the consent of such preference shareholders.

On non receipt of KYC from one of the preference shareholder, a board meeting was called up during 2021-22 on 25th October, 2021 and instead of redemption, the company decided and passed a Board resolution for change in terms of redemption i.e. no premium on redemption with a maturity period at the end of 20 years (against earlier period of 5 years or 10 years or beyond 10 years as the case may be) and the same was approved in the adjourned preference shareholders' meeting held on 26th November, 2021 with one shareholder present. The necessary filings for the same is complied with the Ministry of Corporate Affairs.

12.3 Out of the above said Preference share on the request of one of the shareholders (Mr. Sailesh Gupta) the Company in its board meeting held on August 10, 2022 has redeemed 3,66,200 0% Series A Redeemable Non cumulative Preference Shares of ₹ 10/- each at a aggregate value of ₹ 36,62,000 out of profits of the Company in compliance with the provisions of Section 55 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force),

12.4 For terms and conditions for Compound financial instruments, Refer note no. 11.1

13 Provisions

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
- for Employee Gratuity	32.14	35.41
- for Compensated Absences	1.02	0.52
Total	33.16	35.93

14 Deferred tax liabilities (Net)

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance in the beginning (Net)	314.94	358.44
Add: Deferred tax recognised in Profit and Loss account	109.37	-43.50
Balance at the year end (Net)	424.30	314.94
14.1 For Components of deferred tax (assets) and liabilities please refer note no.28		

15 Borrowings - Current

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Secured:		
(a) Loans repayable on demand		
From banks: -		
(i) Cash Credit facilities	14,801.55	3,759.67
(ii) Bills discounted	67.57	377.10
	14,869.12	4,136.77

NOTES

As at March 31, 2023

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(b) Current maturities of long term borrowings towards:		
(i) Secured - Banks	2,207.31	1,141.33
(ii) Unsecured		
- Banks	-	2.94
- Other than Banks	5.98	15.18
Total Current Maturities for Long term Borrowings (Secured + Unsecured)	2,213.29	1,159.46
Total	17,082.41	5,296.22

15.1 The above loans are secured by way of hypothecation of inventories and receivables and by secondary charge on other property, plant and equipment's. These are also guaranteed by the personal guarantees of the two directors and their relatives

15.2 The quarterly returns/ statements read with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts.

16 Trade payable

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Outstanding dues of Micro and small enterprises	-	-
(b) Outstanding dues of creditors other than micro enterprises and small enterprises	1,631.31	1,038.84
Total	1,631.31	1,038.84

16.1 Ageing of trade payable are as follows:

As at March 31, 2023

	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:					
MSME	-	-	-	-	-
Others	1,631.31	-	-	-	1,631.31
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

As at March 31, 2022

	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:					
MSME	-	-	-	-	-
Others	1,038.84	-	-	-	1,038.84
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-

16.2 The information in respect of Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been given in respect of such vendors to the extent they could be identified as Micro, Small enterprises on the basis of information available with the company on records.

16.3 The information required under note no. 6. FA (a) to (e) as per the general instruction for preparation of balance sheet not applicable as there are no trade payable for SME.

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
16.4 Trade payable include the amounts due to a firm in which the directors are partners	-	46.36

NOTES

As at March 31, 2023

17 Other financial liabilities

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Payable to Capital Goods Suppliers		
Dues of micro and small enterprises	236.39	100.13
Dues of other than micro enterprises and small enterprises	636.43	301.61
Disputed Liabilities	2.11	-
Total	874.93	401.74

17.1 The amount due to Micro and small enterprises as defined in The Micro, Small and Medium Enterprises Development act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(i) The principal amount remaining unpaid to supplier as at the end of the year	236.39	100.13
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-	-
Total	236.39	100.13

18 Other current liabilities

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Statutory dues payable	83.51	279.89
(b) Other liabilities	32.14	10.78
(c) Advance from customers	147.52	-
Total	263.18	290.67

18.1 Statutory dues primarily relate to payables in respect of GST, tax deducted at source, tax collected at source, ESI, Provident fund and professional tax

19 Provisions

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
- for Employee gratuity	2.84	2.05
- for Compensated Absences	2.31	0.01
Total	5.15	2.06

20 Current tax liabilities (Net)

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Provision for tax (net of taxes paid)	441.89	658.80

NOTES

As at March 31, 2023

21 Revenue from operations

		(₹ in Lakhs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
	(a) Sale of Steel and Steel products (Refer note 21.1 below)	64,371.21	43,056.65
	Total	64,371.21	43,056.65
21.1	(i) Sales of Products		
	Gross Sales	84,425.46	59,572.25
	Total	84,425.46	59,572.25
	Less: Taxes & Duties	12,487.48	9,093.13
	Less: Internal Stock Transfer	7,566.77	7,422.47
	Revenue from operations	64,371.21	43,056.65

22 Other income

		(₹ in Lakhs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
	(a) Interest income	74.17	34.92
	(b) Gain on foreign currency transactions (net)	0.10	-
	(c) Gain on Sale of PPE	0.55	-
	(d) Gain on Modification of Compound Financial Instrument	-	236.12
	(e) Misc Income	-	0.45
	Total	74.82	271.50

23 Cost of materials consumed

		(₹ in Lakhs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
	(a) Raw materials consumed:		
	Opening stock	1,140.31	1,178.03
	Add: Purchases during the year	61,465.19	37,312.76
		62,605.49	38,490.79
	Less: Internal Stock Transfer	7,566.77	7,422.47
	Less: Closing Stock	6,776.08	1,140.31
		14,342.85	8,562.77
	Raw materials consumed (a)	48,262.65	29,928.01
	(b) Stores & Spares consumed:		
	Opening stock	4,741.96	3,238.52
	Add: Purchases during the year	2,144.93	2,678.83
		6,886.90	5,917.35
	Less: Closing Stock	5,677.53	4,741.96
	Stores and spares consumed (b)	1,209.37	1,175.38
	Total cost of materials consumed (a)+(b)	49,472.02	31,103.40

NOTES

As at March 31, 2023

24 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Finished goods:		
Opening stock	5,596.73	3,591.45
Less: Closing Stock	8,763.70	5,596.73
(Increase)/decrease in inventories	(3,166.98)	(2,005.27)

25 Employee benefits expense

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries and wages		
- Salaries and Wages	1,791.36	1,703.51
- Remuneration to Directors	324.00	324.00
(b) Contribution To Provident And Other Funds	87.50	71.30
(c) Staff welfare expenses	46.11	37.50
Total	2,248.97	2,136.31

26 Finance costs

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest expense :		
(i) Term Loans	425.74	366.85
(ii) Vehicle Loans	4.65	3.52
(iii) Cash Credit Facilities	440.20	329.90
(iv) LC Commission / Bill Discounted Charges	79.49	79.72
(v) Lease Liabilities	4.82	-
(vi) Finance Cost on Compound Financial Instruments	8.54	8.41
	963.44	788.40
(b) Other financial costs	51.79	30.29
(c) Loss on Settlement of Compound Financial Instruments	22.82	-
Total	1,038.04	818.70

27 Other expenses

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Communication Expenses	7.66	3.87
(b) Director Sitting Fees	9.75	6.15
(c) Commission Expenses	7.43	6.68
(d) Office Maintenance	19.15	5.63
(e) Printing & Stationary	7.97	9.65
(f) Security Services	52.14	39.97
(g) Advertisement and sales promotion	138.51	33.01
(h) Rent	25.93	16.80
(i) Travelling and conveyance	128.63	55.32
(j) Payment to auditors (refer note 27.1 below)	9.05	6.00

NOTES

As at March 31, 2023

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(k) Payment to tax auditor	0.60	-
(l) Payment to cost auditor	0.75	0.55
(m) Legal and professional charges	79.94	46.75
(n) Production Factory Maintaince	109.76	43.83
(o) Repairs and Maintaince		
(i) Building	5.70	28.30
(ii) Plant and machinery	97.17	192.62
(iii) Vehicles	9.41	6.45
(iv) Others	10.53	4.48
(p) Rates and taxes	4.56	20.44
(q) Filing and registration fee	32.91	34.14
(r) Corporate social responsibility (refer note 27.2 below)	50.39	21.40
(s) Insurance	43.20	14.79
(t) Loss on foreign currency transactions (net)	-	0.01
(u) Miscellaneous Expenses	42.38	7.33
Total	893.53	604.16

27.1 Payment to auditors

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
For Statutory audit	8.00	2.80
For Tax Audit	-	0.60
For Certification fee	1.05	2.60
	9.05	6.00

27.2 As per section 135 of the Companies Act, 2013 and rules made thereunder, the Company is required to spend at least 2% of average net profit of its past three years towards Corporate Social Responsibility (CSR). Details of CSR Expenditure are as under:

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Amount required to be spent by the Company for the year	50.34	21.14
(b) Amount spent during the year:		
(i) on purposes other than construction / acquisition of any asset)	50.39	21.40
(ii) for the purpose of acquisition / construction of assets	-	-
	50.39	21.40
(c) Shortfall at the year end (of CSR expenditure incurred)	-	-
(d) Total of previous year/period short fall	-	-
(e) Out of the above, expenses recognised in Statement of Profit and Loss		
(i) Expenses actually incurred i.e. paid (cash)	50.39	21.40
(ii) Expenses incurred but not paid, i.e. provided for (Provision)	-	-
	50.39	21.40

NOTES

As at March 31, 2023

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(f) Nature of CSR activities		
(i) Education	9.57	8.72
(ii) Animal Welfare	16.23	7.39
(iii) Children Welfare	0.29	0.37
(iv) Ensuring Environmental sustainability	2.00	1.23
(v) Health Care	22.31	2.94
(vii) Restoration of buildings and sites of historical importance	-	0.74
	50.39	21.40

28 Disclosure pursuant to Ind AS 12 “Income Taxes”

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	1,497.21	1,062.72
Deferred tax	105.72	(41.54)
Tax for earlier periods	58.93	37.29
Total	1,661.85	1,058.47

(a) Income tax expenses - current and deferred tax

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Profit or Loss		
(i) Current Income tax:		
Current income tax expense	1,497.21	1,062.72
Tax expense of earlier years	58.93	37.29
Total (i)	1,556.14	1,100.01
(ii) Deferred Tax:		
Tax expense on origination and reversal of temporary differences	105.72	(41.54)
Total (ii)	105.72	(41.54)
Income tax expense reported in Profit or Loss [(i)+(ii)]	1,661.85	1,058.47

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
2. Other comprehensive income (OCI) Section:		
(i) Items not to be reclassified to Profit or Loss in subsequent periods:		
Current tax expense/(income):		
On measurement of defined benefit plans	3.64	(1.97)
Income tax expense reported in the OCI section	3.64	(1.97)

NOTES

As at March 31, 2023

(b) Reconciliation of tax expense and the accounting profit:

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(1) Profit before tax as per the Statement of Profit and loss	6,282.66	4,254.19
(2) Corporate tax rate as applicable	25.17%	25.17%
(3) Tax on Accounting profit (3) = (1)*(2)	1,581.22	1,070.70
(i) Tax on Income exempt from tax/Non cash Income :	-	(59.43)
(ii) Tax on expenses not tax deductible:		
(A) CSR expenses	12.68	5.39
(B) Other disallowances	5.57	4.20
(iii) Tax effect on various other items	3.45	0.33
	1,602.92	1,021.18
(iv) Effect of current tax related to earlier years	58.93	37.29
(4) Tax expense recognised during the year (5)=(3)+(4)	1,661.85	1,058.47
(5) Effective tax rate (6)=(5)/(1)	26.45%	24.88%

(c) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit and Loss

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Items disallowed u/s 43B of Income Tax Act, 1961	29.19	(1.11)
2. Difference in book depreciation and income tax depreciation	395.81	316.06
3. Others	(0.70)	-
Net deferred tax (assets)/liabilities	424.30	314.95

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Items disallowed u/s 43B of Income Tax Act, 1961	26.66	(3.06)
2. Difference in book depreciation and income tax depreciation	79.75	(38.48)
3. Others	(0.69)	-
Deferred tax expense/(income)	105.72	-41.53

(d) Reconciliation of deferred tax (assets)/liabilities

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance as at beginning	314.95	358.45
Tax (income)/expense during the period recognised in:		
(i) Statement of Profit and Loss in Profit or Loss section	105.72	(41.53)
(ii) Statement of Profit and Loss under OCI section	3.64	(1.97)
Balance as at the year ended	424.30	314.95

NOTES

As at March 31, 2023

29 Earning per Share

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Profit for the year attributable to the owners of the Company used in calculating basic and diluted earnings per share	4,620.80	3,195.72
(b) Weighted average number of equity shares used as the denominator in calculating basic earnings per share:	2,52,49,189	1,69,75,259
(c) Adjustments for calculation of diluted earnings per share (Issue of Warrants)(Number)	9,173	-
(d) Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	2,52,58,362	1,69,75,259
Basic earnings per share (a/b)	18.30	18.83
Diluted earnings per share (a/d)	18.29	18.83

30 Disclosure pursuant to Ind AS 19 “Employee Benefits”

(a) Defined contribution plans:

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company recognised ₹ 28.79 Lakhs (Year ended March 31, 2022 ₹19.20 Lakhs) for Provident Fund contributions in the statement of profit and loss. The contributions payable to these plans by the company are at rates specified in the rules of the schemes. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(b) Defined benefit plans: :

Employee benefit Obligation:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts or insurance companies. The Company accounts for the liability for gratuity benefits payable in the future based on a year end actuarial valuation.

Movement of defined benefit obligation: The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Changes in the Present Value of Obligation		
PV Obligation as at the start:	37.46	20.77
Acquisition adjustment -		
Interest Cost	2.68	1.31
Past Service Cost	-	-
Current Service Cost	9.30	7.49
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits paid/Due to be Paid	-	-
Actuarial (gain)/ loss on obligation.	(14.46)	7.89
PV of Obligation as at the end:	34.98	37.46
Bifurcation of Accrued Liability		
Current Liability (Short term)	2.84	2.05
Non-Current Liability (Long term)	32.14	35.41
Total Accrued Liability	34.98	37.46

NOTES

As at March 31, 2023

	(₹ in Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Changes in the Present Value of Obligation		
Changes in the Fair Value of Plan Assets	refer para 140(a)(ii) and 141 of Ind AS19	
FV of Plan Assets at the start:	16.80	15.74
Acquisition Adjustments	(0.10)	(0.09)
Exp. Return on Plan Assets	1.20	1.07
Contributions (net)	-	-
Benefits Paid	-	-
Actuarial Gain /(loss) on Assets	0.02	0.09
FV of Plan Assets at the end:	17.92	16.80
Change in the Effect of Asset Ceiling	refer para 140(a)(iii) and 141 of Ind AS19	
Effect of Asset Ceiling at the beginning		
Interest Expense or Cost (to the extent not recognised in net interest expense)		
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
Effect of Asset Ceiling at the end		
Expenses Recognised in the Income Statement	refer para 57(c) of Ind AS19	
Current Service Cost	9.30	7.49
Past Service Cost		
Expected Return on Plan Assets	(1.20)	(1.07)
Interest cost	2.68	1.31
Expenses Recognised in the Income Statement	10.78	7.73
Other Comprehensive Income	refer para 57(c) of Ind AS19	
Actuarial (gain)/ loss on obligations - change in financial assumptions	-	-
Actuarial (gain)/ loss on obligations - change in demographic assumptions	-	-
Actuarial (gain)/ loss on obligations - experience variance (i.e. Actual experience vs. assumptions)	(14.46)	7.89
Total Actuarial (gain)/ loss on obligations	(14.46)	7.89
Actuarial Gain /(loss) on Plan Assets	0.02	0.09
Total OCI	(14.47)	7.79
Return on plan assets, excluding amount recognised in net interest expense		
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
Components of defined benefit costs recognised in other comprehensive income		
Major categories of Plan Assets (as percentage of Total Plan Assets)		
Government of India securities	Nil	Nil
State Government securities	Nil	Nil
High quality corporate bonds	Nil	Nil
Equity shares of listed companies	Nil	Nil
Property	Nil	Nil
Special Deposit Scheme	Nil	Nil
Funds managed by Insurer	100%	100%
Bank balance	Nil	Nil
Other Investments--LIC	Nil	Nil
Total		
Financial Assumptions		
Discount rate (per annum)	7.40%	7.16%
Salary growth rate (per annum)	4.00%	4.00%

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As at March 31, 2023

31 Related party transactions and disclosures:

31.1 Related parties where control exists or where significant influence exists and with whom transactions have taken place during the year:		
A) List of Related Parties :		
Name	Relationship	Designation
Rupesh Kumar Gupta	Key Managerial Person	Managing Director
Sailesh Gupta	Key Managerial Person	Whole Time Director
Sunita Gupta	Key Managerial Person	Non-Executive Director
Rajender Reddy Gankidi	Key Managerial Person	Independent Director
Shanti Sree Bolleni (Resigned with effect from 15 th October 2022)	Key Managerial Person	Independent Director
Soumen Bose (Appointed With Effect From 10 th June 2022)	Key Managerial Person	Independent Director
Sneha Sankla (Appointed With Effect From 14 th November 2022)	Key Managerial Person	Independent Director
Pramod Kumar Kapoor	Key Managerial Person	Independent Director
Amitabha Bhattacharya	Key Managerial Person	Chief Financial Officer
Chirag Partani	Key Managerial Person	Company Secretary & Compliance Officer
Ashish Agarwal	Key Managerial Person	Marketing Head
Rakesh Kumar Gupta	Director's Relative	Executive
Parul Gupta	Director's Relative	Executive
Isha Gupta	Director's Relative	Executive
Ansh Golas	Director's Relative	Executive

B) Enterprises owned or significantly influenced by key managerial personnel:

Reo Solutions Pvt. Ltd.
Ansh Commerce Pvt. Ltd.
Lakshit Trade Link
Ultra Pipes

C) The following transactions were carried out with related parties in ordinary course of business

		(₹. in Lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
(a) Employee benefits expense			
(i) Short term employee benefits			
Salaries			
Rupesh Kumar Gupta	180.00	180.00	
Sailesh Gupta	144.00	144.00	
Parul Gupta	36.00	36.00	
Isha Gupta	36.00	36.00	
Rakesh Kumar Gupta	36.00	24.00	
Ansh Golas	11.78	7.45	
Amitabha Bhattacharya	35.78	16.33	
Chirag Partani	15.98	8.26	
Ashish Agarwal	16.58	11.98	
Total	512.14	464.02	
(iii) Keymen insurance premium paid for			
Rupesh Kumar Gupta	20.00	20.00	
Sailesh Gupta	20.00	20.00	
Total	40.00	40.00	

NOTES

As at March 31, 2023

		(₹. in Lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
(b) Director's sitting fees:			
Sunita Gupta	0.90	1.33	
Pramod Kumar Kapoor	2.40	1.58	
Rajender Reddy Gankidi	3.03	1.63	
Shanti Sree Bolleni	1.08	1.63	
Soumen Bose	1.75	-	
Sneha Sankla	0.60	-	
Total	9.75	6.15	
(c) Rent Paid :			
Rupesh Kumar Gupta	10.35	6.60	
Sailesh Gupta	6.00	6.00	
Parul Gupta	2.10	4.20	
Total	18.45	16.80	
(d) Sales of Goods			
Ultra Pipes	3,936.28	9,266.84	
(e) Purchase of Goods			
Ultra Pipes	3,369.45	8,539.39	
Lakshit Trade Link	21.21	253.68	
Total	3,390.66	8,793.07	
(f) Issue of Share Warrants			
Rupesh Kumar Gupta	226.41	-	
Sailesh Gupta	226.41	-	
Rakesh Kumar Gupta	301.88	-	
Total	754.69	-	
(g) Advance Recovery From Employees			
Ansh Golas	1.38	-	
Amitabha Bhattacharya	2.47	-	
Chirag Partani	0.52	-	
Ashish Agarwal	0.34	-	
Total	4.70	-	
(h) Unsecured Loans Taken			
Rupesh Kumar Gupta	40.00	17.00	
Sailesh Gupta	40.00	27.00	
Sunita Gupta	-	20.50	
Total	80.00	64.50	
(i) Unsecured Loans repaid			
Rupesh Kumar Gupta	69.79	80.00	
Sailesh Gupta	131.10	30.00	
Sunita Gupta	30.78	-	
Total	231.66	110.00	
(j) Redemption of Preference Share Capital			
Sailesh Gupta	33.62	-	
Total	33.62	-	

NOTES

As at March 31, 2023

		(₹. in Lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
(k) Balances Outstanding at the end of the year			
i. Outstanding Unsecured Loan:			
Rupesh Kumar Gupta	-	29.79	
Sailesh Gupta	-	91.10	
Sunita Gupta	-	30.78	
Total	-	151.66	
ii. Expenses payable:			
Rupesh Kumar Gupta	9.56	2.49	
Sailesh Gupta	8.41	1.80	
Total	17.97	4.29	
iv. Trade Payable			
Lakshit Trade Link	-	46.36	
Total	-	46.36	
v. Advance to Employees**			
Ansh Golas	11.36	15.30	
Amitabha Bhattacharya	13.72	18.00	
Chirag Partani	2.74	3.60	
Ashish Agarwal	1.34	1.80	
Total	29.17	38.70	
**Note: Balances are after giving effect of Effective Interest Rate (EIR) as per provisions of IND AS 109			
vi. Trade Receivable			
Ultra Pipes	924.57	502.22	
Total	924.57	502.22	
vii. Advance to Supplier			
Lakshit Trade Link	39.63	-	
Total	39.63	-	

31.2 The transactions with the related parties are made on an arms length transaction. Outstanding balances at the year end are unsecured and settlement occurs in cash.

31.3 The Company has not recorded any impairment of receivables relating to amount owed by related parties and made the provision for bad debts. This assessment is undertaken at the year end through examining the financial position of the related parties and the market in which the related parties operate.

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As at March 31, 2023

32 Contingent Liabilities And Commitments

		(₹ in Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
32.1 Contingent liabilities not provided for in respect of:			
a. Claims against the company not acknowledged as debts:			
Disputed tax demands	592.71*	592.71	
b. Bank Guarantees	1.31	1.31	
	594.02	594.02	
32.2 Capital & Other Commitments	953.36	40.40	

*Out of the above The ITAT has decided the appeal in company's favour by dropping the disputed demand of ₹ 35.05 Lakhs (included in the above amount) as per its order dated October 5, 2016, pending appellate order effect as at the year end.

32.3 The Company does not expect any reimbursements in respect of the above contingent liabilities.

32.4 It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (i) to (iii) above pending resolution of the legal proceedings. Further, the liability mentioned in (i) to (iii) above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.

32.5 In respect Bank Guarantees, the cash outflows, if any, could generally occur up to three years, being the period over which the validity of the guarantees extends.

33 Segment Reporting

Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (“CODM”) evaluates the company's performance and allocates resources based on an analysis of various indicators of business segment/s in which the company operates. The Company is primarily engaged in the business of Manufacturing & selling of Steel Products, which the management and CODM recognise as the sole business segment. Hence disclosure of segment-wise information is not required and accordingly not provided.

The other applicable information applicable where there is only one segment as required in accordance with IND AS 108 – Operating Segments, are as under:

(a) The company does not have the information in respect of the revenues from external customers for each product and service, or each group of similar products and services, and the cost to develop such system will be highly excessive. Accordingly such information is not disclosed as allowed by para 32 of IND AS 108.

(b) Revenues

		(₹ in Lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Domestic	64,371.21	43,026.45	
Export	-	30.20	
Total	64,371.21	43,056.65	

There are no assets in foreign countries held by the Company.

(c) The company has the two major customers / group of external customer having 10% of its revenue.

Customer 1	7,196.57	8,055.91
Customer 2	3,936.28	9,266.84

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As at March 31, 2023

Note No. 34: Financial Instruments classification by category

(a) The carrying value and fair value of financial instruments at the end is as under:

As at March 31, 2023

(₹ in Lakhs)

35.1	Particulars	(Refer Note No. to the financial statements)	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 31 March 2023	Total Fair Value
	(1) ASSETS							
	Non-current financial assets							
	(i) Other financial assets	3	95.52	95.52	-	-	95.52	95.52
	Current financial assets							
	(i) Trade receivables	6	8,611.68	8,611.68	-	-	8,611.68	8,611.68
	(ii) Cash and cash equivalents	7(a)	10,404.27	10,404.27	-	-	10,404.27	10,404.27
	(iii) Bank balances other than (ii) above	7(b)	68.13	68.13	-	-	68.13	68.13
	(iv) Other financial assets	8	14.62	14.62	-	-	14.62	14.62
	Total financial Assets		19,194.22	19,194.22	-	-	19,194.22	19,194.22
	(2) LIABILITIES							
	Non-current financial liabilities							
	(i) Borrowings	12	12,519.40	12,519.40	-	-	12,519.40	12,519.40
	Current financial liabilities							
	(i) Borrowings	15	17,082.41	17,082.41	-	-	17,082.41	17,082.41
	(ii) Trade payables	16	1,631.31	1,631.31	-	-	1,631.31	1,631.31
	(iii) Other financial liabilities	17	874.93	874.93	-	-	874.93	874.93
	Total financial liabilities		32,108.04	32,108.04	-	-	32,108.04	32,108.04

As at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	At cost	At amortised Cost	At fair value through Profit or Loss	At fair value through Other Comprehensive Income (OCI)	Total Carrying Value 31 March 2022	Total Fair Value
(1) ASSETS							
Non-current financial assets							
(i) Other financial assets	3	57.56	57.56	-	-	57.56	57.56
Current financial assets							
(i) Trade receivables	6	2,689.57	2,689.57	-	-	2,689.57	2,689.57
(ii) Cash and cash equivalents	7(a)	7.25	7.25	-	-	7.25	7.25
(iii) Bank balances other than (ii) above	7(b)	41.57	41.57	-	-	41.57	41.57
(iv) Other financial assets	8	-	-	-	-	-	-
Total financial Assets		2,795.94	2,795.94	-	-	2,795.94	2,795.94
(2) LIABILITIES							
Non-current financial liabilities							
(i) Borrowings	12	3,449.97	3,449.97	-	-	3,449.97	3,449.97
Current financial liabilities							
(i) Borrowings	15	5,296.22	5,296.22	-	-	5,296.22	5,296.22
(ii) Trade payables	16	1,038.84	1,038.84	-	-	1,038.84	1,038.84
(iii) Other financial liabilities	17	401.74	401.74	-	-	401.74	401.74
Total financial liabilities		10,186.77	10,186.77	-	-	10,186.77	10,186.77

NOTES

As at March 31, 2023

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

34.2 Fair Value Measurement

(i) Fair Value hierarchy

Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from price)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Note 35 Financial risk management

The Company's activities expose it to a variety of financial risks namely

- Market risk,
- Credit risk and
- Liquidity risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management framework are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes

i. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, financial assets and other current assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The history of trade receivables shows a no provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of nonperformance by any of the Company's counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

Reconciliation of loss allowance provision – Trade receivables

Opening balance	-	-	-
Changes in loss allowance	-	-	-
Closing balance	-	-	-

NOTES

As at March 31, 2023

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out at unit level and monitored through corporate office of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude contractual interest payments and the impact of netting agreements.

PARTICULARS	Carrying Amounts March 31, 2023	Contractual cash flows				(₹ in Lakhs)
		Less than 1 year	1–5 years	More than 5 years	Total	
		Non-derivative financial liabilities				
Borrowings (Current and Non Current)	29,601.80	17,082.41	9,286.39	3,233.01	29,601.80	
Trade payables	1,631.31	1,631.31			1,631.31	
Other current financial liabilities	874.93	874.93			874.93	
Total non-derivative liabilities	32,108.04	19,588.65	9,286.39	3,233.01	32,108.04	

PARTICULARS	Carrying Amounts March 31, 2022	Contractual cash flows				(₹ in Lakhs)
		Less than 1 year	1–5 years	More than 5 years	Total	
		Non-derivative financial liabilities				
Borrowings (Current and Non Current)	8,746.19	5,296.22	3,329.49	120.48	8,746.19	
Trade payables	1,038.84	1,038.84			1,038.84	
Other current financial liabilities	401.74	401.74			401.74	
Total non-derivative liabilities	10,186.77	6,736.80	3,329.49	120.48	10,186.77	

iii. Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

iv. Foreign currency risk

The Company does not have any currency risk as there are no foreign currency transactions entered in to by the company having such risks

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As at March 31, 2023

v. 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 because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

Particulars	(Figures in Lakhs)	
	31-Mar-23	31-Mar-22
Fixed rate borrowings	152.82	27.02
Floating rate borrowings	29,333.77	8,447.03
Total borrowings	29,486.59	8,474.05
% of Floating rate Borrowings to total loans	99.5%	99.7%

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

PARTICULARS	Profit or loss		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
As at March 31, 2023				
Variable-rate instruments	9.50%	9.50%		
Cash flow sensitivity	-49.76	49.76		
As at March 31, 2022				
Variable-rate instruments	9.19%	9.19%		
Cash flow sensitivity	-42.24	42.24		

Fair value sensitivity analysis for fixed-rate instruments

There is no foreign currency exposure

Note no 36 - Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Sr. No.	Particulars	Note	As at March 31, 2023			As at March 31, 2022		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Inventories	5	21,217.31	-	21,217.31	11,479.00	-	11,479.00
2	Trade receivables	6	8,611.68	-	8,611.68	2,689.57	-	2,689.57
3	Other financial assets	8	14.62	-	14.62	-	-	-
4	Other current assets	9	2,650.11	-	2,650.11	827.29	-	827.29

NOTES

As at March 31, 2023

(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

(Figures in Lakhs)

Sr. No.	Particulars	Note	As at March 31, 2023			As at March 31, 2022		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Trade payables:							
	Due to micro enterprises and small enterprises		-	-	-	-	-	-
	Due to others	16	1,631.31	-	1,631.31	1,038.84	-	1,038.84
3	Other financial liabilities	17	874.93	-	874.93	401.74	-	401.74
4	Other current liabilities	18	263.18	-	263.18	290.67	-	290.67
5	Provisions	19	5.15	-	5.15	2.06	-	2.06

37 Value of financial assets and inventories hypothecated as collateral for liabilities and/or commitments and/or contingent liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current:		
Inventories and trade receivables	29,828.99	14,168.57
Cash and cash equivalents	10,404.27	7.25
Other current and financial assets	2,664.74	827.29
Total inventories and current financial assets hypothecated as collateral	42,898.00	15,003.10
Non-current:		
Fixed Deposits	82.69	50.14
Total non-current financial assets hypothecated as collateral	82.69	50.14

38 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Additional Regulatory Information:

39 Title deeds of Immovable Property not held in name of the Company:

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2(a) on Property, plant and equipment to the financial statements, are held in the name of the Company

40 There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

41 Wilful Defaulter:

- The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

42 The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

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As at March 31, 2023

43 The Registration of charge in respect of secured loans filed to ROC beyond the statutory period is NIL

44 The company does not have any subsidiary. Therefore clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable

45 Ratios analysis and its Element

i) Current Ratio

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Current Assets	42,966.12	15,044.67
Current Liabilities	20,303.18	7,688.33
Ratio	2.12	1.96
% Change from previous period/year	8.15%	

ii) Debt-Equity Ratio

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Total Debts		
Borrowings - Financial Liability(Secured - Term loan)	12,398.43	3,157.28
Borrowings - Financial Liability(unsecured)		292.69
Borrowings - Current Liability (Current maturities of Terms loan)	2,213.29	1,162.40
Borrowings - Current Liability (Other Loan)	14,869.12	4,136.77
Total Borrowings	29,480.84	8,749.14
(b) Total Equity	37,516.66	10,101.67
Debt-Equity Ratio = (a/b)	0.79	0.87
% Change from previous period/year	-9.27%	

iii) Debt Service Coverage Ratio

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Earnings available for debt services		
Profit After Tax	4,620.80	3,195.72
Finance costs	1,038.04	818.70
Depreciation and amortisation expenses	942.45	810.53
Total earnings available for debt services	6,601.29	4,824.95
(b) Interest and principal repayments		
Finance Costs	1,038.04	818.70
Repayment of Long term Debt for the current year	1,212.12	1,092.03
Total interest and principal repayments	2,250.16	1,910.73
Debt Service Coverage Ratio = (a/b)	2.93	2.53
% Change from previous period/year	16.18%	

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As at March 31, 2023

iv) Inventory turnover ratio

		(₹ in Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
(a) Cost of goods sold			
Cost of materials consumed	49,472.02	31,103.40	
Changes in inventories of finished goods	(3,166.98)	(2,005.27)	
Total cost of goods sold	46,305.04	29,098.12	
(b) Average inventories			
Opening inventories	11,479.00	8,008.00	
Closing inventories	21,217.31	11,479.00	
Average inventories	16,348.15	9,743.50	
Inventory turnover ratio = (a/b)	2.83	2.99	
% Change from previous period/year	-5.16%		

v) Trade payables turnover ratio

		(₹ in Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
(a) Credit purchases			
Purchases raw material	53,898.42	29,890.29	
Purchase store and spares	2,144.93	2,678.83	
Total credit purchases	56,043.35	32,569.11	
(b) Average trade payables			
Opening trade payables	1,038.84	429.93	
Closing trade payables	1,631.31	1,038.84	
Average trade payables	1,335.08	734.39	
Trade payables turnover ratio = (a/b)	41.98	44.35	
% Change from previous period/year	-5.35%		

vi) Trade Receivables turnover ratio

		(₹ in Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
(a) Credit sales	64,371.21	43,056.65	
(b) Average trade receivables			
Opening trade receivables	2,689.57	1,962.91	
Closing trade receivables	8,611.68	2,689.57	
Average trade receivables	5,650.63	2,326.24	
Trade receivable turnover ratio = (a/b)	11.39	18.51	
% Change from previous period/year	-38.45%		

Reason for change more than 25%

The ratio has decreased from 18.51 in March 2022 to 11.39 mainly due to increase in turnover of the company

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As at March 31, 2023

vii) Net capital turnover ratio

		(₹ in Lakhs)	
Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Sales	64,371.21	43,056.65
(b)	Net working capital		
	Current assets (A)	42,966.12	15,044.67
	Current liabilities (B)	20,303.18	7,688.33
	Net working capital (C)= (A-B)	22,662.94	7,356.34
	Net capital turnover ratio = (a/b)	2.84	5.85
	% Change from previous period/year	-51.47%	

Reason for change more than 25%

The ratio has decreased from 5.85 in March 2022 to 2.84 mainly due to addition of new value added product such as GP Pipe/Coil, etc

viii) Net profit ratio

		(₹ in Lakhs)	
Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Net profit after tax	4,620.80	3,195.72
(b)	Sales	64,371.21	43,056.65
	Net profit ratio = (a/b)	7.18%	7.42%
	% Change from previous period/year	-3.28%	

ix) Return on Equity Ratio

		(₹ in Lakhs)	
Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Net profit after tax	4,620.80	3,195.72
(b)	Total equity	37,516.66	10,101.67
	Return on equity ratio = (a/b)	12.32%	31.64%
	% Change from previous period/year	-61.07%	

Reason for change more than 25%

The ratio has decreased from 31.64% in March 2022 to 12.32% due to increase in total equity of the company.

x) Return on Capital Employed

		(₹ in Lakhs)	
Particulars		As at March 31, 2023	As at March 31, 2022
(a)	EBIT		
	Net profit after tax	4,620.80	3,195.72
	Finance costs	1,038.04	818.70
	Total tax expense	1,661.86	1,058.47
	Total EBIT	7,320.70	5,072.89
(b)	Capital Employed		
	Total equity	37,516.66	10,101.67
	Borrowings - Financial liability(Secured - Term loan)	12,398.43	3,157.28
	Borrowings - Financial liability(Unsecured)	120.96	292.69
	Total borrowings	12,519.40	3,449.97
	Total capital employed	50,036.06	13,551.64
	Return on Capital employed =(a/b)	14.63%	37.43%
	% Change from previous period/year	-60.92%	

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As at March 31, 2023

Reason for change more than 25%

The ratio has decreased from 37.43% in March 2022 to 14.36% due to increase in total equity and Long term borrowings of the company which is used to expand in forward integrations

xi) Return on investment

		(₹ in Lakhs)	
Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Total income		
	Profit before tax (1 - tax rate) (A)	4,701.44	3,183.50
	Finance costs (1 - tax rate) (B)	776.79	612.65
	Total income (C) = (A)+(B)	5,478.23	3,796.15
(b)	Total assets	70,918.45	21,590.84
	Return on investment = (a/b)	7.72%	17.58%
	% Change from previous period/year	-56.07%	

Reason for change more than 25%

The ratio has decreased from 17.58% in March 2022 to 7.74% mainly due to increase in total assets of the company during the year

46 Events Occuring After The Balance Sheet:

The company has been sanctioned customized incentives of ₹ 12,069 Lakhs by the Government of Telangana for its proposed Galvanized Steel Pipes/Cold Rolled/ Mild Steel Pipe unit located at Mahaboobnagar, Telangana. These incentives has been granted under the following heads:

1. 75% net SGST for 7 years limited to ₹ 80.61 crore
2. Power cost reimbursement @ ₹ 2.00 per unit for a period of 5 years Limited to ₹ 34.76 Crores.
3. Interest Subsidy @ 3% for five years Limited to ₹ 5.32 Crores.
4. All other Incentives as per T-IDEA"

47 Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments

As per our report of even date annexed hereto.

FOR **R KABRA & CO. LLP**

Chartered Accountants

Firm Registration No: 104502WW100721

Sd/-

Deepa Rathi

(Partner)

Membership No: 104808

UDIN : 23104808BGTSYA5335

Place: Hyderabad

Date: May 30, 2023

On behalf of the Board

HARIOM PIPE INDUSTRIES LIMITED

Sd/-

Rupesh Kumar Gupta

(Managing Director)

DIN 00540787

Sd/-

Amitabha Bhattacharya

Chief Financial Officer

Place: Hyderabad

Date: May 30, 2023

Sd/-

Sailesh Gupta

(Whole Time Director)

DIN 00540862

Sd/-

Chirag Partani

Company Secretary

Membership No: A51269

NOTICE

158-167

NOTICE

Notice is hereby given that the **16th Annual General Meeting** of the Members of **Hariom Pipe Industries Limited** will be held on Friday, the 22nd September 2023, at 11.30 A.M through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31st March 2023 along with the Report of the Directors and the Auditors:

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

“**RESOLVED THAT** the Audited Financial Statement of the Company for the financial year ended 31st March 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint Mrs. Sunita Gupta, who retires by rotation as a Director:

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

“**RESOLVED THAT** pursuant to provisions of Section 152 of the Companies Act, 2013, Mrs. Sunita Gupta (DIN: 02981707), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Special Business:

3. To ratify the remuneration of Cost Auditors for the financial year ending 31 March 2024:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as **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 Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s. Seshadri & Associates., Cost Accountants (Regn. No 101476), Hyderabad, appointed as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2024, amounting to

₹ 75,000/- (Rupees Seventy Five Thousand only) excluding taxes as may be applicable, in addition to reimbursement of all out of pocket expenses, be and is hereby ratified.”

4. To approve Material Related Party Transaction(s):

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and Rules made there under, (including any statutory modification(s) and/or re-enactment thereof for the time being in force), the Company’s Policy on Related Party Transactions, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into arrangements/transactions/contracts with below mentioned related parties (“Related Party”), relating to transactions the details of which are more particularly set out in the explanatory statement of this Notice, provided however that the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with the Related Party and remaining outstanding at any one point in time shall not exceed the limits mentioned below during the financial year, provided that the said transactions are entered into/ carried out on arm’s length basis and on such terms and conditions as may be considered appropriate by the Board of Directors (including any authorized Committee thereof);

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount (₹ in Cr.)
Ultra Pipes- Partnership Firm	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations.	Sale, purchase or supply of any goods or materials.	150

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee constituted by the Board or any person(s) authorized by the Board in this regard) be and are hereby authorised to do all acts and deeds, things and execute all such documents and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

5. To approve appointment and remuneration of Mr. Rupesh Kumar Gupta, 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 recommendation of Nomination and Remuneration committee and pursuant to the provisions of section 196, 197 & 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (The Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or re-enactments thereof, consent of the members of the Company be and is hereby accorded for the reappointment of Mr. Rupesh Kumar Gupta (DIN: 00540787), as Managing Director for a period of 3 (Three) years, with effect from 08th January 2024, at a remuneration as mentioned in the table below, inclusive of any remuneration directly or otherwise or by way of salary and allowances, performance based rewards/ incentives, on the terms and conditions (including remuneration payable in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) as explained in the explanatory statement annexed to the notice of the meeting in terms of Section 102 of the Act, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Rupesh Kumar Gupta.”

Particulars	Remuneration
Basic Salary	₹ 15,00,000/- p.m
Commission	2.5% of Net Profit

RESOLVED FURTHER THAT even in the absence of or inadequacy of profits in any Financial Year, subject to the provisions of Schedule V of the Act and such other approvals as may be required, Mr. Rupesh Kumar Gupta, be paid the same remuneration as mentioned above as minimum remuneration for the entire tenure or such period as may be approved by the Shareholders of the Company and / or Central Government, if required.

RESOLVED FURTHER THAT any of the Directors from the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things, as in its absolute discretion, it may consider, necessary, expedient or desirable in order to give effect to this resolution.”

6. To approve appointment and remuneration of Mr. Sailesh Gupta (DIN: 00540862) 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 recommendation of Nomination and Remuneration committee and pursuant to the provisions of section 196, 197 & 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (The Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or re-enactments thereof, consent of the members of the Company be and is hereby accorded for the reappointment of Mr. Sailesh Gupta (DIN: 00540862), as Whole Time Director for a period of 3 (Three) years, with effect from 08th January 2024 at a remuneration as mentioned in the table below, inclusive of any remuneration directly or otherwise or by way of salary and allowances, performance based rewards/ incentives, on the terms and conditions (including remuneration payable in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) as explained in the explanatory statement annexed to the notice of the meeting in terms of Section 102 of the Act, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Sailesh Gupta.

Particulars	Remuneration
Basic Salary	₹ 12,00,000/- p.m
Commission	2.5% of Net Profit

RESOLVED FURTHER THAT even in the absence of or inadequacy of profits in any Financial Year, subject to the provisions of Schedule V of the Act and such other approvals as may be required, Mr. Sailesh Gupta, be paid the same remuneration as mentioned above as minimum remuneration for the entire tenure or such period as may be approved by the Shareholders of the Company and / or Central Government, if required.

RESOLVED FURTHER THAT any of the Directors from the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things, as in its absolute discretion, it may consider, necessary, expedient or desirable in order to give effect to this resolution.”

BY ORDER OF THE BOARD
For **Hariom Pipe Industries Limited**

Sd/-
Rupesh Kumar Gupta
Managing Director
DIN: 00540787

Place: Hyderabad
Date: 10th August 2023

Notes:

1. The Ministry of Corporate Affairs ('MCA'), *inter-alia*, vide its General Circular Nos. 14/2020 dated 08th April 2020 and 17/2020 dated 13th April 2020, followed by General Circular Nos. 20/2020 dated 05th May 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated 28 December 2022 (collectively referred to as 'MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue.

Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated 12th May 2020, 15th January 2021, 13th May 2022 and 05th January 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.

In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 16th AGM of the Company is being held through VC/OAVM on Friday, 22nd September 2023, at 11:30 A.M. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at 3-4-174/12/2, 1st Floor, Samarpan, lane beside Spencer's Pillar No. 125, Attapur Hyderabad TG 500048 India.
2. The Company has appointed CDSL to provide VC/OAVM (Video Conferencing) facility for the e-AGM.
3. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
5. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the Quorum under Section 103 of Companies Act, 2013.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first serve basis. This will not include large members (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
8. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice of the Company for the AGM are being sent by e-mail to those Members who have registered their e-mail address with the Company's Registrars and Share Transfer Agents (RTA) (in respect of shares held in physical form if any) or with their Depository Participants (DPs) (in respect of shares held in electronic form) and made available to the Company by NSDL and CDSL. The Company shall send physical copy of the Annual Report 2022-23 to the members who specifically request for the same by sending an email at cs@hariompipes.com.
9. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, Bigshare Services private Limited, having its registered office at 306, Right Wing, 3rd Floor, Amurtha Ville, Opp. Yashoda Hospitals, Somajiguda, Raj Bhavan Road, Hyderabad – 500082, e-mail: bsshyd@bigshareonline.com.
10. 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. The said Resolution/Authorization shall be sent to the Company at cs@hariompipes.com with a copy marked to acs.vinod@gmail.com.

11. All the documents which are relevant and referred in the Notice or Explanatory Statement will be available for Inspection of members at the registered office of the Company during the working hours on all working days upto the date of AGM.
12. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09th December 2020, the Company is providing remote e-voting facility to its members, to enable them to cast their votes electronically through the facility provided by Central Depository Services (India) Limited ("CDSL"). The instructions for remote e-voting are appended to this Notice. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again.
13. Any person, who become Member of the Company after dispatch of the Notice of AGM and hold shares as on Friday, 15th September 2023 ("cut-off date") may obtain the login ID and password by sending an email to the RTA at bsshhd@bigshareonline.com by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on www.evotingindia.com.
14. Mr. Vinod Sakaram Partner of M/s. VSSK & Associates, Company Secretaries, C.P. No. 8345.; Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the entire e-voting process (remote e-voting and e-voting at the AGM) in a fair and transparent manner.
15. After completion of the scrutiny of the electronic votes, the Scrutinizer will submit his report to the Chairman. The voting results along with Scrutinizer's Report will be announced within two working days of the conclusion of AGM. The said results would be displayed at the Registered Office of the Company and on its website at www.hariompipes.com and simultaneously intimated to the CDSL and National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The Scrutinizer's decision on the validity of votes cast will be final.
16. CDSL e-Voting System – For e-voting and Joining Virtual meetings.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Tuesday, 19th September 2023 at 9:00 A.M. (IST) and ends on Thursday, 21st September 2023 at 5:00 P.M. (IST). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e Friday, 15th September 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the AGM.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09th December 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@hariompipes.com (designated email address by company), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- (i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) 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.
- (vii) 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 at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hariompipes.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hariompipes.com. These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are 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 available during the AGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

ITEM NO. 3:

The Board on the recommendation of Audit Committee, has approved the appointment and remuneration of M/s. Seshadri & Associates., Cost Accountants (Regn. No. 101476), Hyderabad to conduct the Audit of the Cost records of the Company at a remuneration of ₹ 75,000/- (Seventy Five Thousand Only) for the Financial year ending 31st March 2024.

In Accordance with the provisions of Section 148 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March 2024.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

None of the Directors and Key Managerial personnel or their relatives of the Company are in anyway concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 4:

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as “the Listing Regulations”), all Related Party Transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the Members of the Company through a resolution and all related parties shall abstain from voting on such resolution.

“Material Related Party Transaction” under the Listing Regulations means any transaction(s) entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The annual consolidated turnover of the Company for the financial year 2022-23 is ₹ 643.71 Crores. Accordingly, any transaction(s) by the Company with its related party exceeding ₹ 64.37 Crores (10% of the Company’s annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same. It is therefore proposed to obtain the Members’ approval for the following arrangements/transactions/contracts which may be entered into by the Company with its related party from time to time:

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount (₹ in Cr.)
Ultra Pipes- Partnership Firm	Entity Forming part of Promoter’s Group	Sale, purchase or supply of any goods or materials	150

The aforesaid Related Party Transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms’ length. However, the same are covered under the provisions of Regulation 23 of the SEBI Listing Regulations and accordingly the approval of the Shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid Related Party Transactions at their meetings held on 10 August 2023, in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the Ordinary Course of Business and at arm’s length basis. With respect to the above matter, the Shareholders/Members are requested to note following disclosures of Interest:

S. No.	Name of the Related Party	Nature of Concern or Interest
1.	Ultra Pipes- Partnership Firm	Mr. Rupesh Kumar Gupta, Managing Director and Mr. Sailesh Gupta, Whole Time Director of the Company along with their relative as defined u/s 2(76) of Companies Act 2013, holds 100% capital in the Partnership Firm.

The Board recommends the resolution set out at Item No. 4 of the AGM Notice to the Members for their consideration and approval, by way of Ordinary Resolution.

Except to the extent of shareholding of the Promoters / Directors their Relatives and Key Managerial Personnel in the abovementioned related parties which is duly disclosed above, none of the other Directors/ Key Managerial Personnel/their Relatives is, in any way, concerned or interested, financially or otherwise in the Ordinary Resolution set out at Item No. 4 respectively.

ITEM NO. 5 & 6:

To approve reappointment and remuneration of Mr. Rupesh Kumar Gupta (DIN: 00540787) as Managing Director and Mr. Sailesh Gupta (DIN: 00540862) as Whole Time Director of the Company.

The term of Mr. Rupesh Kumar Gupta as Managing Director and Mr. Sailesh Gupta as Whole time Director of the Company expires on 07th January 2024, the board directors of the Company have decided to reappoint them for a further period of 3 years from 08th January 2024 as Key Managerial personnel on the Board of the Company.

A) Appointment of Mr. Rupesh Kumar Gupta as Managing Director

Pursuant to the provisions of Sections 196, 197 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the Rules made there under, the board of Director of the Company at their meeting held on 10th August 2023 as recommended by NRC Committee has appointed Mr. Rupesh Kumar Gupta as Managing Director of the Company for a period of 3 (Three) years with effect from 08th January 2024, subject to the approval of the members.

In terms of the provisions of Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, being in adequate profit making Company, it shall obtain approval of the members by passing special resolution, if the remuneration paid to its Whole Time Director/ Executive Director exceeds the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013.

B) Appointment of Mr. Sailesh Gupta as Whole Time Director

Pursuant to the provisions of Sections 196, 197 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the Rules made there under, the board of Director of the Company at their meeting held on 10th August 2023 as recommended by NRC Committee has appointed Mr. Sailesh Gupta as Whole Time Director of the Company for a period of 3 (Three) years with effect from 08th January 2024, subject to the approval of the members.

In terms of the provisions of Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, being inadequate profit making Company, it shall obtain approval of the members by passing special resolution, if the remuneration paid to its Whole Time Director/ Executive Director exceeds the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013.

THE FOLLOWING ADDITIONAL DETAILED INFORMATION AS PER SECTION – II OF SCHEDULE V IS AS FOLLOWS:

I. General Information:

a) Nature of industry	Manufacturing and Trading
b) Date or expected date of commencement of commercial production.	Since incorporation
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
d) Financial performance based on given indicators.	Performance for FY 2022-23 1. Gross Revenue: ₹ 644.46 Crores 2. Profit after tax: ₹ 46.20 Crores EPS: ₹ 18.30/-
e) Foreign investments or collaborators, if any	No Foreign Investments or Collaborations.

II. Information about the appointees:

a) Background details	Mr. Rupesh Kumar Gupta, aged about 47 years, is the founder and promoter of the Company. He has more than two decades of experience in steel Industry.	Mr. Sailesh Gupta, aged about 42 years, is a B. Com Graduate with the experience of more than 10 years in Marketing. He is Co-Founder of the Company.												
b) Past remuneration	The remuneration drawn by Mr. Rupesh Kumar Gupta during the past Two Years is as follows:	The remuneration drawn by Mr. Sailesh Gupta during the past Two Years is as follows:												
	<table border="1"> <thead> <tr> <th>Financial Year</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>1,80,00,000</td> </tr> <tr> <td>2021-22</td> <td>1,80,00,000</td> </tr> </tbody> </table>	Financial Year	Amount (₹)	2022-23	1,80,00,000	2021-22	1,80,00,000	<table border="1"> <thead> <tr> <th>Financial Year</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>2022-23</td> <td>1,44,00,000</td> </tr> <tr> <td>2021-22</td> <td>1,44,00,000</td> </tr> </tbody> </table>	Financial Year	Amount (₹)	2022-23	1,44,00,000	2021-22	1,44,00,000
Financial Year	Amount (₹)													
2022-23	1,80,00,000													
2021-22	1,80,00,000													
Financial Year	Amount (₹)													
2022-23	1,44,00,000													
2021-22	1,44,00,000													
c) Recognition or awards	Nil	Nil												
d) Job profile and his suitability	Mr. Rupeshkumar Gupta, has been serving the Company since inception in the capacity of a Director/ Managing Director. Over the period of time Company has grown up manifold on various parameters. This growth to the large extent is attributable to the hard work and decision of the director.	Mr. Sailesh Gupta has been serving the Company over a long period of time. He has been part of the Company over a decade and have lead successfully in growth of the Business.												
e) Remuneration proposed	As mentioned in the resolution.	As mentioned in the resolution.												
f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibilities, the proposed remuneration is commensurate with industry standards and Board level position held in similar sized and similar positioned businesses. The remuneration proposed to be paid to the Managing Director/ Whole time Director is purely based on merit. Further, the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile before approving the remuneration as proposed hereinabove.													
g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	He is Son of Mrs. Sunita Gupta, Non Executive Director and Elder brother of Mr. Sailesh Gupta, Wholetime Director of the Company.	He is Son of Mrs. Sunita Gupta, Non Executive Director and younger brother of Mr. Rupesh Kumar Gupta, Managing Director of the Company.												

III. Other information:

a) Reasons of loss or inadequate profits	At present company is earning profits which may be deemed inadequate for the purpose of limits of managerial remuneration.
b) Steps taken or proposed to be taken for improvement	The Company has initiated certain steps to improve the quality of their products and have also added new products in its offering also initiated new marketing strategies of their products. The company is always looking forward to take all such steps and measures including expansion which are in the best interest of the company.
c) Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it.

IV. Disclosures:

- The remuneration package of all the managerial persons are given in the respective resolutions.

The appointment of Mr. Rupesh Kumar Gupta & Mr. Sailesh Gupta is appropriate and in the best interest of the Company. Thus, the Board of Directors recommends the resolution set out at Item No. 5 & 6 of the notice for your approval, by passing **Special Resolution**.

Mr. Rupesh Kumar Gupta & Mr. Sailesh Gupta and their relatives may be deemed to be interested in the respective resolutions proposing the appointments set out at Item No. 5 and 6 in the Notice.

Save and except the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item No. 5 and 6 in the Notice

BY ORDER OF THE BOARD
For **Hariom Pipe Industries Limited**

Sd/-
Rupesh Kumar Gupta
Managing Director
DIN: 00540787

Place: Hyderabad
Date: 10th August 2023

DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/RE- APPOINTMENT AT THE 15TH ANNUAL GENERAL MEETING OF MEMBERS OF THE COMPANY:

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India)

Name of the Director	Mrs. Sunita Gupta	Mr. Rupesh Kumar Gupta	Mr. Sailesh Gupta
Date of Birth	31 st December 1956	02 nd October 1976	05 th October 1981
Qualifications	Undergraduate	Undergraduate	Commerce graduate
Nationality	Indian	Indian	Indian
Experience	Director of the Company since 01 st October 2014.	Promoter and Director of the Company since Incorporation	Working as Director in the Company for more than 13 years
Terms and conditions of appointment or reappointment	Non-Executive Director of the Company, liable to retire by rotation.	i) Tenure of his appointment shall be three years with effect from 08 th January 2024. ii) The Managing Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act. iii) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made there under. The separation from this engagement could be effected by either side giving One months' notice.	i) Tenure of his appointment shall be three years with effect from 08 th January 2024. ii) The Whole Time Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act. iii) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made there under. The separation from this engagement could be effected by either side giving One months' notice.
Last drawn remuneration	Sitting Fees of ₹ 90,000/- in the FY 2022-23.	₹ 15,00,000/- p.m.	₹ 12,00,000/- p.m.
Remuneration proposed to be paid	She shall be paid remuneration by way of fee for attending meetings of the Board or Committees there of or for any other purpose as maybe decided by the Board, reimbursement of expenses for participating in the Board and other meetings.	As mentioned in the resolution No. 5 in the notice	As mentioned in the resolution No. 6 in the notice
Date of first appointment on the Board	Appointed as Director on 01 st October 2014. Changed designation as Non-Executive Director w.e.f 01 st October 2017	Appointed as First Director of the Company from 21 st June 2007 (Since Incorporation of the Company)	Appointed as Additional Director of the Company on 09 th January 2010.
No. of share held as on the date of Notice	10,75,720 (Ten Lakhs Seventy Five Thousand Seven Hundred and Twenty) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	41,93,847 (Forty One Lakhs Ninety Three Thousand Eight hundred and Forty Seven) Equity Shares of ₹ 10 each.	29,36,222 (Twenty Nine Lakhs Thirty Six Thousand Two Hundred and Twenty Two) Equity Shares of ₹ 10/- each.
Relationship with Directors, Managers and KMP	Mother of Rupesh Kumar Gupta, Managing Director and Sailesh Gupta, Whole time Director of the Company.	Mrs. Sunita Gupta (Non-Executive Director) is mother. Mr. Sailesh Gupta (Whole Time Director) is Brother.	Mrs. Sunita Gupta (Non-Executive Director) is mother. Mr. Rupesh Kumar Gupta (Managing Director) is Brother.
Number of Board Meetings attended during FY 2022-23	5 out of 9	9 out of 9	9 out of 9
Directorships of other Boards	– Ansh Commerce Private Limited	– Reo Solutions Private Limited	Nil
Chairman/ Member of the Committees of Boards of other companies.	Nil	Nil	Nil



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Hariom Pipes



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