



HI-TECH
PIPES LIMITED

August 31, 2019

National Stock Exchange of India Limited

Exchange Plaza, Bandra-Kurla Complex,
Bandra East
Mumbai-400051

NSE Symbol: HITECH

Subject: Annual Report for the Financial Year 2018-19

Dear Sir/ Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, find enclosed herewith Annual Report of the Company for the Financial Year 2018-19.

Kindly take the Annual Report on record and oblige.

Thanking You,

Yours Truly,

For Hi-Tech Pipes Limited


Arun Kumar
Company Secretary



Enl: a/a



Hi-Tech Pipes Ltd. Regd. Office : 505, Pearls Omaxe Tower,
Netaji Subhash Place, Pitampura, New Delhi - 110034
CIN : L27202DL1985PLC019750
Tel: +91-11-48440050 Fax: +91-11-48440055
Works : Plot No. 10, Sikandrabad Industrial Area, (U.P.) - 203205
Web : www.hitechpipes.in | **Email :** info@hitechpipes.in



Hi-TECH

PIPES

**EXCEPTIONAL
PAST.
EXCITING
FUTURE.**



Annual Report 2018-19



ANNUAL REPORT 2018-19

Forward-looking statements/Cautionary statement

In this annual report, we have disclosed forward looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements would be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ajay Kumar Bansal

Chairman & Managing Director

Mr. Anish Bansal

Whole-Time Director

Mr. Ajay Sahay

Non-Executive Independent Director

Mr. Vivek Goyal

Non-Executive Independent Director

Mr. P.K. Saxena

Non-Executive Independent Director

Ms. Tanvi Kumar

Non-Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Arvind Bansal, FCA

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Arun Kumar

STATUTORY AUDITOR

M/s A. N. Garg & Co.

Chartered Accountants

BANKERS

State Bank of India

Canara Bank

HDFC Bank

Kotak Mahindra Bank

SVC Co-operative Bank

REGISTERED OFFICE

505, Pearls Omaxe Tower,
Netaji Subhash Place, Pitampura,
New Delhi-110034

Tel. No. +91 11 48440050

Fax No. +91 11 48440055

Website: www.hitechpipes.in

CIN:L27202DL1985PLC019750

WORKS

HI-TECH PIPES LTD.

Sikandrabad (UP)

Plot No. 10, UPSIDC

Sikandrabad, Bulandshahar

Uttar Pradesh-203 205

Plot No. 16. UPSIDC

Sikandrabad, Bulandshahar

Uttar Pradesh-203 205

Ahmedabad (Gujarat)

Plot No. E-6, GIDC

BOL-II, Sanand, Ahmedabad

Gujarat-382 170

HTL METAL PVT. LTD.

Hindupur (AP)

41-B, Gollapuram

Hindupur

Andhra Pradesh-515 211

REGISTRAR & SHARE TRANSFER AGENTS

Big Share Services Pvt. Ltd.

4 E/8, First Floor,

Jhandewalan Extension,

New Delhi-110055

Tel. No. +91 11 23522373

Fax No. +91 11 23522373

E-mail: bssdelhi@bigshareonline.com

AWARDS

“Silver Trophy”
in Secondary Steel Sector Award
of 2016-17 from Ministry of Steel
Government of India



Top Performer

Award from
Steel Authority of India



**EXCEPTIONAL PAST.
EXCITING FUTURE.**

In disruptive times when markets change rapidly, the trend lines that define the future make it imperative for a corporate to adapt and transform accordingly.

Corporates need to challenge status quo and implement sustainable, growth-oriented strategies. Corporates have to invest in the right opportunity and create a pathway for consistent success.

Hi-Tech Pipes Limited is one such corporate.

Because at Hi-Tech Pipes, we think about our future approach rather than dwelling on our exceptional achievements of the past. Because at Hi-Tech Pipes, we focus on future opportunities rather than remain complacent with our past successes.

This is what differentiates Hi-Tech Pipes and helps us to stay relevant notwithstanding unexpected market upheavals.

This is what
EXCITING
means at Hi-Tech Pipes.

KNOW OUR EXCITING STORY

Who we are?

Carrying a rich legacy of more than three decades, Hi-Tech Pipes Limited (Hi-Tech Pipes) has grown from strength to strength over the years. Today, Hi-Tech is one of the most respected and largest business entities in the Indian pipe and tube industry with a vast portfolio of products and has been instrumental in establishing a sound infrastructure for the Nation.

Driven by the overarching objective of providing innovative and top-of-the-line quality products across all its product range, today, the company is one of the leading steel pipe manufacturer of India with turnover ₹1360 crore plus.

Stewarded by one of the doyens of the Indian piping industry, [Mr. Ajay Kumar Bansal, Chairman and Managing Director] and ably assisted by a team of qualified professionals, Hi-Tech Pipes has managed to make its presence felt within its industry space and has also been successful in positioning itself as a solution provider and not just as a manufacturer of steel pipes.

Vision

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

Mission

- We aspire to achieve business excellence through Optimum utilization of resources
- Providing product of quality and by enriching the lives of people associated with us
- Sustainable environment-friendly procedures and practices
 - The highest ethics and standard
- The spirit of entrepreneurship and innovation
- Hiring, developing and retaining the best of people
- Maximizing returns to stakeholders



What we do?

Starting as just an ERW pipe manufacturer in 1988, over the years the Company forayed into manufacturing of entire range of steel pipes and today it has evolved as one of the renowned top players within its industry space. With an installed production capacity of 5 lacs mtpa, the Company today is the 3rd largest manufacturer of steel pipes in India.

At Hi-Tech Pipes we are engaged in the business of manufacturing and marketing of a wide range of steel tubes which is being used in different industries like Infrastructure (including telecom, defence, power distribution, railways, airport), Construction, Agriculture and among others.



FROM THE CHAIRMAN'S DESK

“In view of these realities, I foresee attractive prospects across the medium-term and also the long-term as we continue to recalibrate to make Hi-Tech Pipes ready for an ‘Exciting Future’”

Dear shareholders,

It's a pleasure to announce that against the backdrop of India's rapidly growing and evolving Indian piping market, Hi-Tech Pipes has strengthened its leadership position. We embraced new tools, techniques and opportunities during the year to further buttress our position as the market leader. As a proactive company, over the last three decades, we have realised the necessity to innovate one's product offerings as well as adapt to the ever changing customer needs in order to stay relevant in such a competitive market. The consistent growth of our business is a proof of Hi-Tech's ability to adopt new ways to meet the ever changing customers' needs.

Lead by an outstanding management team coupled with the indomitable spirit of our committed employees as well as strong and loyal distributors and stockists network, Hi-Tech Pipes continued to execute its strategy of moving up the value chain by expanding its offerings and capabilities. Our focussed attention on emerging as a complete piping solution provider over the couple of years has enabled us to stand in good stead.

We took some decisive steps during the year which we believe shall usher the Company

We would also continue to work towards our vision of 10,00,000 MT (One Million Ton) installed capacity and in line with this vision we plan to further increase our current installed capacity to 6,00,000 MT in FY2020.

towards the next phase of growth. We also accomplished solid financial numbers in FY2019 validated by the following: revenue grew 34%, EBIDTA grew 25% and PAT grew 31%. We delivered margin expansion and double-digit EPS growth. We raised our ratings, continued to integrate and leverage our alliances. We made 'innovative and good' products which perform 'better' for the benefit of our customers. We led incremental advances through the use of top notch automation resulting in assured growth. Further during the year, we crossed 2.69 lacs MT mark in terms of production, after growing nearly 19% compared to the previous financial year. We significantly increased the production capabilities in the galvanized tubes and volume of pre galvanized tubes segment during the year. We also enhanced our installed capacity from 3,60,000 MT to 5,00,000 MT during the year with the addition of higher size tube mill at Sanand Plant and expansion of Cold Rolling facility at Sikandrabad. We invested in implementing new and improved technologies during the year, sourced from some of the globally renowned technology suppliers, to further improve our productivity, quality and efficiency. During the year, we installed and commissioned new solar power generation (renewable energy) plant at Hindupur with a capacity of 400 kw and also enhanced the solar power production capability at the Sanand power plant from 250 kw to 360 kw. This not only helped the Company to reduce its power cost but also helped in reducing the Company's dependence on external sources for power supply.

With an already established PAN India distribution network, the company focused on the further stretching our relationship with them during the year. We embarked on a number of new initiatives during the year related to further enhancing our brand presence and reach. We also focused on getting closer to and enhancing relations with our dealers and distributors which resulted into an increased market share in a highly competitive market.

Additionally, we focused on increasing our depots and regional offices to further enhance the company's proximity with the market.

Outlook

We firmly believe that innovation will continue to be our key differentiator. We would also continue to work towards our vision of 10,00,000 MT (One Million Ton) installed capacity and in line with this vision we plan to further increase our current installed capacity to 6,00,000 MT in FY2020. We plan to add another 1,00,000 capacity in our Steel Pipes segment in FY2020. **We endeavour to create Hitech Pipes as the most preferred brand by customers.** The essence of our paradigm shift is already being reflected in our constant growth and we are constantly striving to leave the footprints of our legacy for the upcoming generations.

As is evident, the business today is about how we are building ourselves for the future. For instance, the Company recently came out with a number of new product lines which have found increased acceptability across different segments owing to its increased usability. Innovations like these help Hi-Tech Pipes stay one step ahead of competition. In view of these realities, I foresee attractive prospects across the medium-term as well as long-term as we continue to recalibrate to make Hi-Tech Pipes ready for an 'Exciting Future'. I would like to end by expressing my heartfelt thanks to all the stakeholders for their continued support.

Regards,

Mr. Ajay Kumar Bansal
Chairman & Managing Director

BOARD OF DIRECTORS

Mr. Ajay Kumar Bansal, Chairman & Managing Director

Mr Ajay Kumar Bansal is an industry stalwart with over 35 years of experience in the steel industry. As the Chairman of FII (Steel Tube Panel) he has successfully represented the industry at various national and international forums. He handles the operations of the Company with a team of experienced professionals through his strategic planning and identification of new growth drivers. Handling the dual responsibilities as a Chairman and Managing Director, he is the guiding force behind the Company. He can be credited for the Company's impressive track record and growth from one manufacturing unit in 1988 to four manufacturing units spread across the country.



Mr. Anish Bansal, Whole-Time Director

Mr Anish Bansal handles the portfolio of Executive Director of the Company. Having completed his B.Sc. (Economics) in Banking and Finance from the Cardiff University, England, he has over 12 years of experience in business development and administration. His area of expertise includes corporate finance, strategy, marketing, product development, project implementation, international trade and finance along with other corporate matters. He works in close coordination with the management team to handle the Company's expansion plans and financial portfolio.

Mr. Ajay Sahay, Non-Executive Independent Director

Mr Ajay Sahay completed his B.Tech from BITS in 1979 and has over four decades of experience working with Tata Steel handling various profiles. He has a rich experience of over 25 years in sales and marketing across India. He was instrumental in the implementation of value management in Distribution of Cold Rolling products across India. He has been regularly involved with the Government and assisting in streamlining various acts, regulations and guidelines for making "Ease of Doing Business in India" more meaningful.



Mr. Vivek Goyal, Non-Executive Independent Director

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



Mr. P. K. Saxena, Non-Executive Independent Director

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

Ms. Tanvi Kumar, Non-Executive Independent Director

Ms Tanvi Kumar is the Non-Executive and Independent Director of the Company. She has completed her law degree from the ILS Law College, Pune, Maharashtra in the year 2009 and has significant experience in handling corporate litigation matters. She is member of the Bar Council of India. She is a senior associate with Khaitan and Company and has also attended mock sessions of the UN Assembly.





Where we are

Headquartered in New Delhi, India, the Company has its four state-of-the-art manufacturing facilities located in the states of Uttar Pradesh, Gujarat and Andhra Pradesh.

With an aim to provide the best piping solution to its customers, the Company has its product presence across the length and breadth of India.

Our reach

Supported by a strong and widespread distribution network of 300 loyal stockiest/distributors and 50 sub-dealers, the Company has been successful in spreading its wings across a varied range of industries in India like automobile, and agriculture among others. In addition to such a strong network the Company also has tie up with more than 100 OEM partners and more than 75 contractors spread across 17 states to provide its customers with quality products in quick time.

Backed by our expertise in supplying high-quality products, our growing list of clientele includes some of the biggest and renowned business houses of India like Reliance Industries Limited, TATA, Adani and Airtel among others.

Where we are listed

Hi-Tech Pipes' shares are listed and actively traded on the National Stock Exchange of India Limited (NSE) .



Sanand, Gujarat (Near Ahmedabad)



Sikanderabad, Uttar Pradesh (Unit-II)



Sikanderabad, Uttar Pradesh (Unit-I)



Hindupur, Andhra Pradesh (Near Bengaluru)



RELIVING OUR EXCEPTIONAL PAST

1988

Hi-Tech Pipes embarked on its journey by setting up its first ERW pipe manufacturing plant at Sikanderabad (Unit I), Uttar Pradesh

2001

Hi-Tech Pipes further expanded its footprint by setting up a continuous Galvanising facility at Sikanderabad

1996

Enhanced its product offering by commencement of the commercial production of Cold Rolled Coils and Strips at Sikanderabad (Unit I)

2008

Expanded Hi-Tech Pipes' horizon by starting the production of Metal Beam crash barriers at Sikanderabad

2005

Further strengthened its offering by starting a Hot Dipped Galvanising facility at Sikandrabad

2012

Started unit 2 at Sikanderabad to manufacture steel tubes and hollow sections

2019

Sanand Plant production capacity has been doubled from 60,000 mtpa to 1,25,000 mtpa. Received External Credit Rating of 'A' Category.

2010

Initiated production of hollow sections and solar mounting sections at Sikandrabad

2016

Got Hi-Tech Pipes listed at the National Stock Exchange of India (NSE). Further expanded its manufacturing presence by starting the commercial production of steel tubes and hollow section at the newly set up plant at Hindupur, Andhra Pradesh (near Bengaluru)

2015

Widens Hi-Tech Pipes' manufacturing presence by setting up a new plant at Sanand Gujarat, for the production of steel tubes and hollow section

2018

Got migrated to NSE main board. Started Galvanising facility at Hindupur, Andhra Pradesh (near Bengaluru) Enhanced Hi-Tech Pipes' production capabilities, at Hindupur doubling its capacity from 60,000 mtpa to 1,20,000 mtpa

OUR EXCEPTIONAL ACHIEVEMENTS IN FY2019*



1100
Workforce



4
Manufacturing
Plants



1360
Revenue
(Rs. crore)



72%
Capacity
Utilisation



2789
EBIDTA
(per Metric Tonne)

*All figures as on 31st March 2019

NUMBERS VALIDATING OUR EXCITING STORY

125+

Projects
completed

5.0

Lakh mtpa
Installed
capacity

Presence in

17+
States

550+

SKU

30+

years
of rich industry
experience

350+

Dealers and
distributors



STRENGTHS THAT MAKES US EXCITING

What underpins our business...

Manufacturing quality pipes is our uncompromising goal. We specialise in providing tailor-made yet quality piping solutions to our customers. From manufacturing to branding and marketing, we control every aspect of our supply chain. We are confident that this is the key reason for our sustained momentum and growth in the industry.



How Hi-Tech Pipes is creating shareholder value? By

Investing where there is long-term growth

Delivering industry-leading performance

Continuing to execute our robust long-term growth strategy with passion and with perfection

Putting our customers first and diligently focusing on enhancing the satisfaction level of our customers

Consistently delivering profitable growth

Investing in our people

Continuous enhancement of our operational efficiency

Ensuring that capital allocation was disciplined and was in line with our strategy

WORKING TOWARDS AN EXCITING FUTURE...

A. by building on our production capabilities

Over the years we have learnt that to stay ahead of the curve in a competitive business like ours, we need to constantly reinvent ourselves and also sustain this growth momentum.

At Hi-Tech Pipes, we realised that this sustainability is largely incumbent on the ability to constantly innovate and enhance our present capacity to meet customer needs. Thus in order to build a sustainable tomorrow for the Company we constantly invested in our capacity to achieve the right economies-of-scale.

**For this, the Company has put
in place a target of achieving
10,00,000 MTPA installed capacity.**





At Hi-Tech Pipes, we enhanced our production capabilities through the following initiatives:

- Invested Rs. 50 crore during the year for modernisation and upgradation of the manufacturing facilities
- Enhanced overall production capacity from 3,60,000 MT to 5,00,000 by addition of higher size tube mill at Sanand plant & expansion of Cold Rolling Facility at Sikandrabad
- Focused on increasing the share of high margin value-added products across its business segments coupled with significant additions to the bottom line to further strengthen the Company's position as a market leader
- Focused on production of products with higher efficacy with the ability to withstand climatic extremes more competently
- Implemented a number of calibration in our production system, which helped us customize our products as per the clients' requirement and thus enhance Hi-Tech Pipes' competitive edge
- Achieved capacity utilisation of 72% in FY2019
- Enhanced our in-house solar power production capabilities from 250 kw to 760 kw

Result
Hi-Tech Pipes
grew its PAT at a
CAGR of 53% over
the last five years



B. by expanding our market presence

At Hi-Tech Pipes, we recognise that to successfully maintain our leadership position we require a widespread product presence that leverages core competencies as well as ensure adequate offtake.

This is an important requirement as in a country like India product availability is the key to success. And it is ensured only through a deep-rooted market presence. It also helps in substantially de-risking the company from being excessively dependent on a handful of region for generating sales.

As we keep on exploring new markets and customers, we are constantly evolving our product basket that helps us in growing our revenue at an attractive pace.

We strengthened our market presence by creating a wide spread, deep routed and an ever growing distribution network covering more than 200 cities and towns across India.

We entered 10 new cities and towns in FY2019 to widen our foot print.

We focused on strengthening our brand and market presence by investing in our distributors, dealers, OEM partners and contractors through various initiatives like loyalty programs and sales promotion activities.





How this helps?

Our strategy to enhance proximity with our dealers and distributors has resulted into an increased market share in a highly competitive market.

A robust and a deep-rooted distribution network helps the Company in reaching far-flung corners of the country, enabling it to sale more products and earn greater revenue.

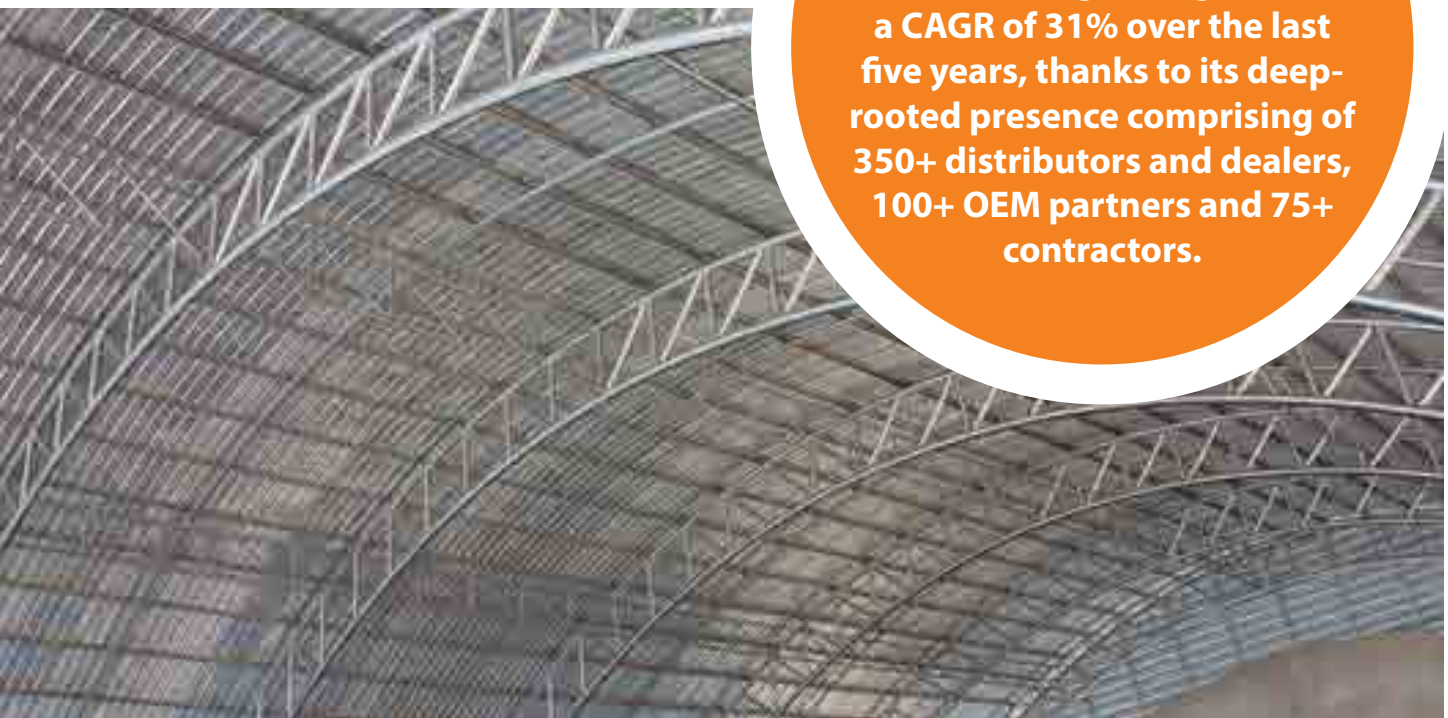
An already established distribution network provides critical support when the Company is entering new businesses and markets, thus saving it from the cost of setting a new distribution network.

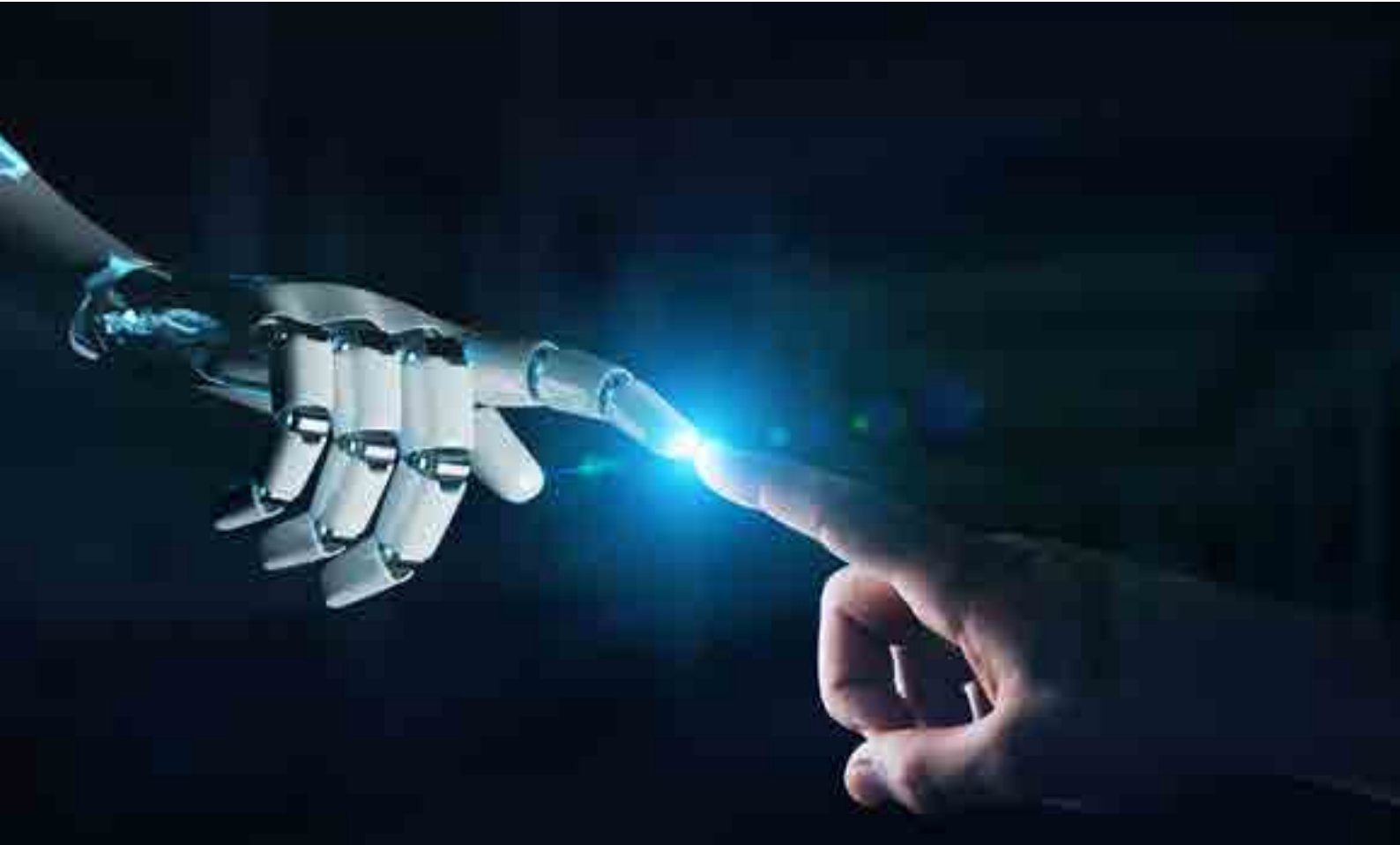
A well nurtured and longstanding relationship with our different distribution partners plays a crucial role whenever the Company plans to launch a new product or adopt push strategy.

A wide-spread network provides the last mile connectivity and makes our products available to the end customers, thus enjoying a significant presence in the underserved markets.

Result

The Company has been successful in growing sales at a CAGR of 31% over the last five years, thanks to its deep-rooted presence comprising of 350+ distributors and dealers, 100+ OEM partners and 75+ contractors.





C. by connecting ideas with technology

At Hi-Tech Pipes we are committed to bring new technologies in to make the industry move beyond the current paradigm as well as drive our future growth.

At Hi-Tech Pipes we have embarked on the path towards making this transformation possible by implementing a host of state-of-the-art technologies that help enhance the strength,



durability and toughness of our products.

In line with this strategy, we tried to source technologically-advanced manufacturing equipment's like HF Welder, Cold Saw Cutting, Tubes Mills etc. from some of the renowned manufacturers across the globe.

We focused on modernisation and upgradation of our equipment during the year which helped us achieve higher capacity utilisation across our manufacturing units.

We invested Rs. 50 crore during the year in new technologies to progress from a nominal annual volume increment to significant throughput growth.

Result

The Company successfully grew its EBIDTA at a CAGR of 31% over the last five years and reduced operational cost during the same time.

Reduction of breakdown and the subsequent reduction of rejection declined over the last five years.





D. by focusing on quality enhancement

At Hi-Tech Pipes, we imagine ourselves as not just another steel pipe manufacturer but the creator of quality-intensive innovative products. We believe that our unflinching focus on quality is our key differentiator. This importance of quality is best exemplified by our long sustaining relationship with some biggest brands of India like Reliance, Adani and Airtel among others.

We are not merely engaged in a sell-and-forget engagement but have tried maintain our relationships with our customers through quality and innovative solutions, be it institutional or retail.

In line with this strategy, we have invested continuously in our quality improvement measures to manufacture products matching the international standards. This resulted into greater acceptance of our Company in overseas markets as well.

At Hi-Tech Pipes, we take great care in leveraging our in-depth industry knowledge and quality processes to deliver products that are of the highest quality and are safe and compliant with market





Result

Reduction of breakdown and the subsequent reduction of rejection declined by 10% and 5% over the last five years.

Sales volume increased at a CAGR of 28% over the last five years.

regulations and requirements.

Our quality excellence culture is being stewarded by a dedicated team that works closely with our different distributors and other internal teams to provide real time feedback.

We implemented a number of quality enhancing initiatives like raw material inspection, different TQM measures and online quality checks across all the manufacturing facilities to ensure the products we manufacture are of highest quality.

Our substantial investment in product engineering and sustainable manufacturing has continually driven greater product quality and process discipline.

We replaced conventional technologies with improved and automated ones to reduce breakdown and subsequent reduction of rejection.



EXCITING AVENUES FOR GROWTH

At Hi-Tech Pipes, we realise that the strength of an organisation is not defined by what it has achieved in just one year rather how consistent it has been it over the years and how it plans to sustain the successful growth in the years to come.

In a capital intensive business of ours, to maintain a steady growth one has to constantly look for new and exciting opportunities to fuel growth. By tapping into new segments from time to time one not only ensures growth sustainability but at the same time helps the company stay ahead of the curve through its progressive evolution from a manufacturer into a comprehensive solutions provider with the steady extension of the product offerings.

At Hi-Tech Pipes, we believe that the time has come to leverage our rich sectoral understanding and extend beyond our regular industries to drive future growth.

1 **One, defence,** with an increased focus on the Defence sector on the part of the government, the company looks to generate incremental revenue from the sector. With the company already involved with the Military service division of the Indian Army. The enhanced budgets for the defence sector and focus on quality of life for defence personnel, we see huge opportunities in the sector.





2

Two, Aviation, with a successful track record of delivering quality products for different airport needs, the company is well-positioned to cash in on the upcoming opportunities especially with the government's focus on developing more airports coming and further expansion of the existing ones.

3

Three, Railways, we have delivered the roofing/station structuring projects for Delhi Metro Rail Corp. On the basis of our existing experience, we hope to garner more business in this segment.

4

Four, Agriculture, today India needs to help its farmers with smooth and effective irrigation facility. The sector promises immense potential. With the advent of more and more environment conservation initiatives from Governments to Corporate Entities, this sector give promising opportunities.

5

Five, telecom and tower business, the telecom sector is at the verge of consolidation and quality of service only is going to be the norm. This is likely to lead to some uptick in the telecom sector.

6

Six, drinking water supply, with India striving hard to make clean and pure drinking water reach every corner of the country, the sector promises to be a good avenue for growth for the company.

KEY PROJECTS

- Delhi-Mumbai Dedicated Freight Corridor
- Delhi & Mumbai Metro Rail
- Mumbai Trans Harbor Link
- Pan India Reliance Jio Telecom Tower
- Bangalore Airport Expansion
- Delhi & Mumbai City Gas Distribution
- Water Pipes in Bhagirathi Water Grid, Telengana







OUR EXCITING OFFERINGS

Steel Tubes & Pipes

Water, Gas & Air Pipeline, Automobiles, Power & Industrial Boilers, Transformers, Superheaters, Economisers, Heat Exchangers, Railway, Electrification and Furniture



Hollow sections

Casing, Columns & Fence, Handrails, Load Bearing Structure, Piling, Posts, Poles, Railings, Scaffolding, Skywalks, Towers etc.



Pre-Galvanized Tubes

HVAC, Cladding, Roofing, Building Accessory, Partition, False Ceilings, Household Appliances (Washing Machine/ A.C etc.), Railway Carriages, Road Signs, Containers, Furniture etc.



Hot dipped GI pipes

Agriculture, Plumbing, Green Houses, Irrigation, Hand Pumps, Bore, Tubewells





Balcony Ra

Oil & Gas Pipeline

Sewage pipeline

Agriculture

Door
Window

Pipeline

CONVEYANCE

HI-TECH
PIPES
LIMITED

Hoardings

Furniture

GEN-ENGG.

Auto

Machinery

Roof

HI-TECH
PIPES LIMITED

HI TECH
STEEL TUBES & PIPES

MAXIMUM
QUALITY &
GUARANTEE

F

iling

Shopping Mall

Architecture
Construction

Metro

Industrial

TECH
STOP
TOP

STRUCTURAL

Bridge

Scaffolding

Fabricator
Engg.

Prefab

Green House

Structure



CR Sheets & Strips

Stampings, Auto & Auto Ancillaries, Transmission Chain, Bicycle Parts, Fine Blanking, Bearings



Galvanized Coils

Construction, Agriculture, Automobile, Domestic & Outdoor Electric Appliance, Furniture & Fixtures Industry

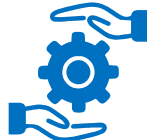


Cold Formed Sections

Automobile Industry, Civil Construction, Solar Mounting Structures, Strut Support Systems, Storage Systems, Furniture & Office Equipment



Rich industry experience



Strong technical knowledge



Research and development



State-of-the-art manufacturing facilities



Strong manufacturing assets and economies-of-scale

OUR PILLARS OF SUCCESS

EXCITING STRATEGY FOR OUR EXCEPTIONAL FUTURE

Through continuous evolution of our growth strategy we continue to make Hi-Tech Pipes a more profitable and cash generative organisation which not only delivers strong performance for its different stakeholders but also helps in securing a sustainable long-term growth for the Company.

Accomplish cost advantages:

Continuously investing in various cost reducing initiatives like reducing overheads, controlling production costs and improving capacity utilization across all our manufacturing facilities which would help us to save energy, save time, enhance quality, increase productivity and boost capacity utilisation. Implement different cost saving techniques across multiple cost saving areas like procurement and logistics, to attain cost leadership and enhance profitability.

Look for growth opportunities:

Achieve a suitable equilibrium across different industry in terms of improved process, enhanced productivity and optimum capacity utilisation yet leaving the room to accommodate any new business opportunities coming the Companies way. Consequently, smoothening the entry process of the Company in the new segment.

Grow through continues technology advancement:

At Hi-Tech Pipes we feel the over the long run only the efficient ones would survive. In line with the strategy, we strive to continuously invest in regular upgradation of machineries and technologies which would help us to be more efficient and enhance productivity.

By being research driven:

At Hi-Tech Pipes, we feel that we are not just engaged in commodity product manufacture; we are engaged in the creation of quality-intensive innovative products that take the brand name of the Company ahead. With a research driven approach, we invested substantially in our R&D to focus on developing efficient and innovative products, so that they are more efficient and increase their multi-purpose use. Also help the company with other related products to support the future growth of the Company.

Generate cash to strengthen balance sheet:

To focus on generating a steady cash inflow through optimised working capital. Continue to operate at optimum utilisation level.

By building a strong distribution network:

With a focus to facilitate the easy availability of the Company's products, we regularly invested in our product quality, sales team and distribution networks. We focused on expanding our distribution network and reaching customers through new marketing channels.

LET OUR EXCITING NUMBERS SPEAK...

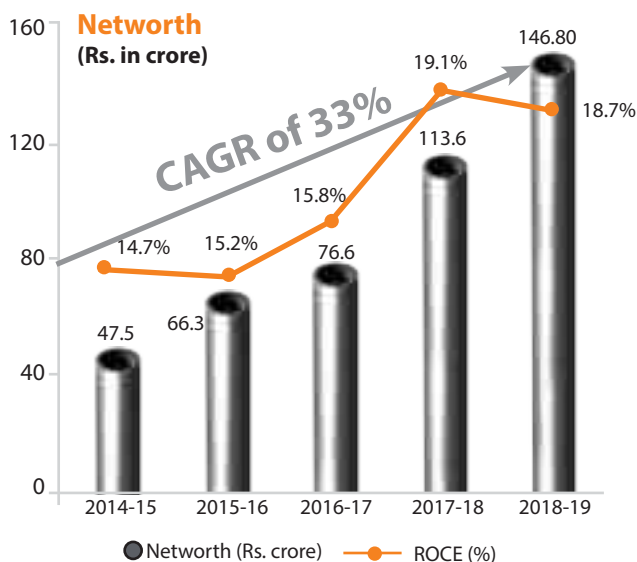
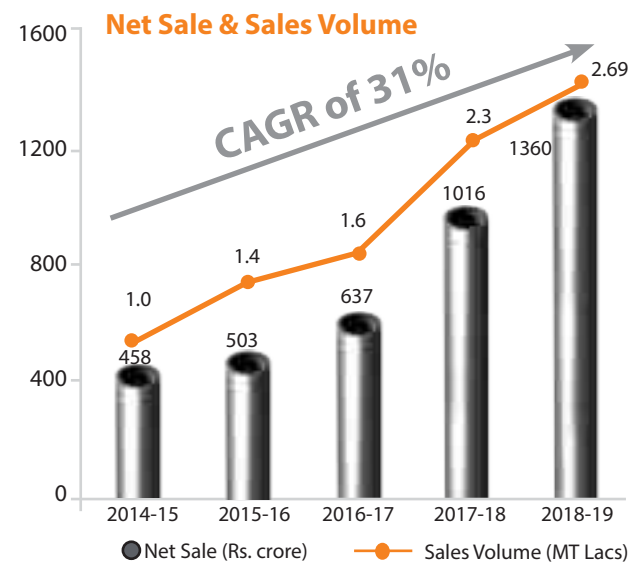
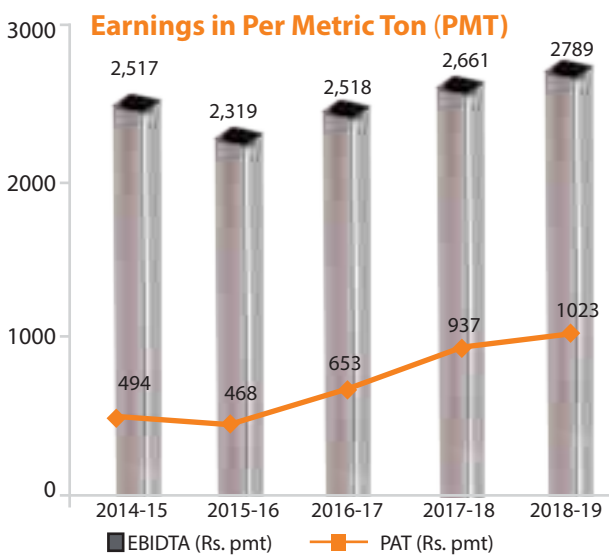
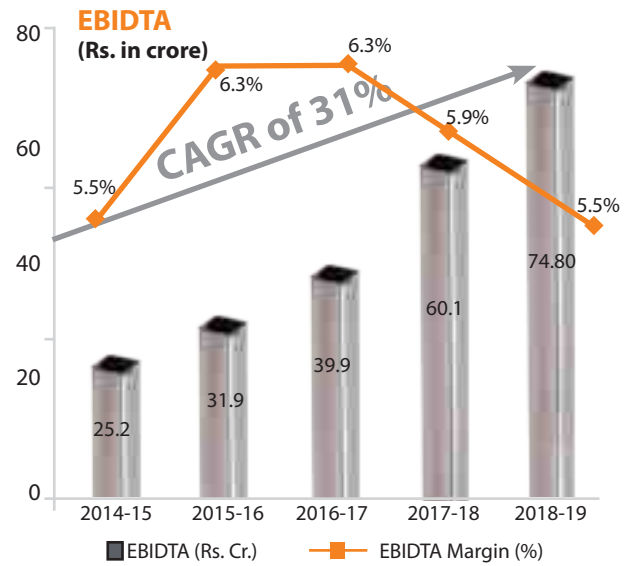
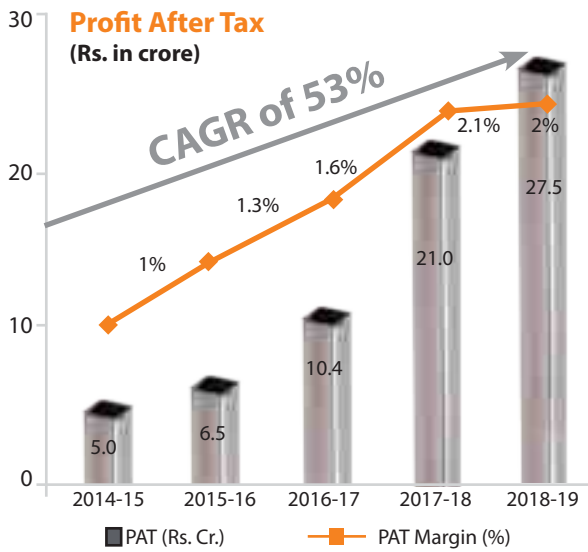


Financial highlights

Particulars	Unit	FY2015	FY2016	FY2017	FY2018	FY2019	5Yr.CAGR
Net Sales	Rs. Crore	458	503	637	1016	1360.4	31%
EBIDTA	Rs. Crore	25.2	31.9	39.9	60.1	74.80	31%
PAT	Rs. Crore	5.0	6.5	10.4	21.0	27.5	53%
EPS	Rs.	6.6	8.3	10.1	20.4	25.80	41%
Net Worth		47.5	66.3	76.6	113.6	146.80	33%
Sale Volume*	(in Lacs M.T.)	1.0	1.4	1.6	2.3	2.69	28%
Earnings in Per Metric Ton (PMT)							
EBIDTA	Rs. PMT	2,517	2,319	2,518	2,661	2789	3%
PAT	Rs. PMT	494	468	653	927	1023	20%
Financial Ratios in							
EBIDTA	(%)	5.5%	6.3%	6.3%	5.9%	5.5%	
PAT	(%)	1.0%	1.3%	1.6%	2.1%	2.0%	
ROI/ROCE	(%)	14.7%	15.2%	15.8%	19.1%	18.7%	
ROE	(%)	11.9%	11.4%	14.5%	22.1%	20.8%	
Sales Value Growth	(%)	19%	10%	26%	59%	34%	
Sales Volume Growth	(%)	5%	38%	15%	43%	19%	
Ratio in Times							
Debt/EBIDTA		4.31	4.24	4.23	4.03	3.45	
TOL/TNW		3.54	3.21	3.70	2.97	2.40	
Debt Equity		2.29	2.04	2.21	2.14	1.76	
Current Ratio		1.15	1.27	1.20	1.20	1.20	
Turnover Ratios in Number of Days (NoD's)							
Debtor Turnover	NoD's	42	49	55	37	36	
Inventory Turnover	NoD's	54	74	71	55	39	

* excluding trading & scrap quantity





Our less visible numbers indicate the strength and the robustness of our business model







SHARING SMILES AT HI-TECH PIPES

At Hi-Tech Pipes we believe that our social responsibility is a keystone of our commitment to provide the highest quality service to our customers. Driven by the philosophy, to give back where we live, has enabled us to make a positive and lasting difference in our communities.

At Hi-Tech Pipes, every year we review the issues which matter the most to our stakeholders and take different measures, so as to help the community rise above the challenges and grow along with the Company. Our commitment to education, healthcare and environment makes Hi-Tech Pipes one of its kind.

Going green at Hi-Tech Pipes





In 2018 the global economy is expected to have clocked a growth rate of 3.7%, according to the October 2018 World Economic Outlook (WEO) forecast

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy overview

The momentum gained by the global economy in 2016 picked up steam in 2017 but the favourable opportunities envisioned for an upbeat 2018 soon got marred as increasingly uncertain global geo-political environment gave no room to the policy mistakes.

2017 saw the global economy grow at 3.0%, a significant acceleration compared to growth of just 2.4% in 2016, and the highest rate of global growth recorded since 2011. In 2018 the global economy is expected to have

clocked a growth rate of 3.7%, according to the October 2018 World Economic Outlook (WEO) forecast, despite weaker performance in some economies like Europe and Asia. However, moderating activity and heightened risks led to the clouding global economic prospects. Resulting into further downgrading of the global growth prospects for several economies in the second half of 2018 with a projection that the global economic growth would fall to 3.5% in 2019 and then would pick up slightly to grow at 3.6% in 2020.

A. Global growth



C. Global and EMDE equity prices

B. Global industrial production and new export orders



D. Growth in EMDEs

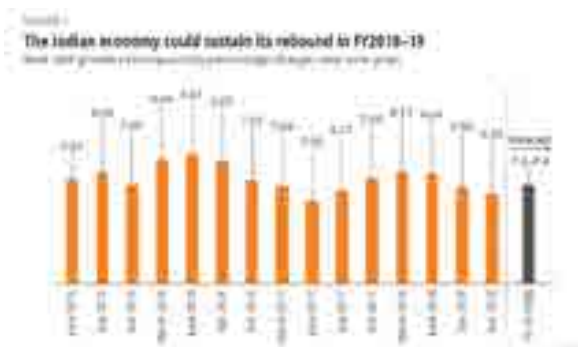
(Source: Global Economic Prospects, January 2019, World Bank)

Indian economy overview

Continuing its journey as the fastest growing economy in the world, the Central Statistics Office (CSO) expects the Indian economy to clock a growth rate of 7.3% for the fiscal year 2018-19, and 7.5% in the following two years, after decelerating to 6.7% in 2017-18. Key attributers to this sustained growth of the Indian economy, according to World Bank, are likely to be the upswing in consumption and investment.

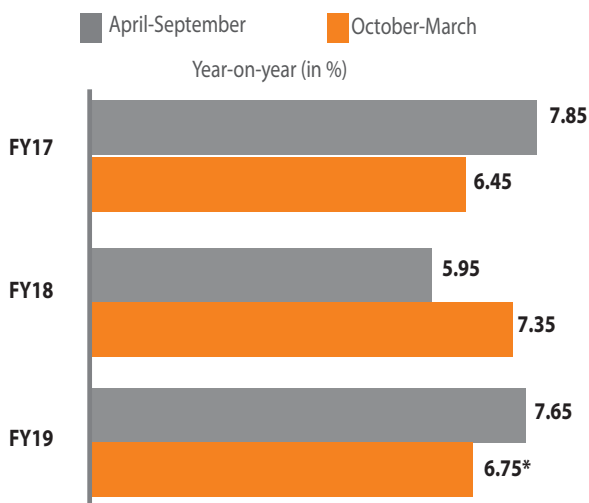
Strengthened by the benefits derived from the structural reforms such as the Goods and Services Tax (GST) harmonization and bank recapitalization, uptick in domestic demand gained momentum in 2018. Further impetus was provided by the sustained investment growth, which has firmed as the effects of temporary factors wane.

Growth of the Indian economy (real GDP growth rates – quarterly percentage change, y-o-y)



GDP growth Trends

A slowdown is expected in the second half of FY19, with GDP growth dipping to 6.75% from 7.65 in the first half.



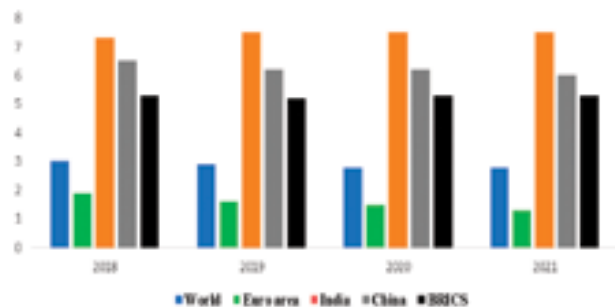
FY17, FY18 and Apr-Sep FY19 are actual figures.
*CSO estimate.

Source: CSO

(Source: <https://www.livemint.com/Politics/zxNzYKQfLHUCB2yR3vKE8J/What-India-GDP-growth-rate-forecast-for-2018-19-means.html>)

Starting on a high for the fiscal 2018-19 the Indian economy recorded a growth rate of 8.2% in the first quarter of FY2019 on the back of a strong domestic resilience. However, over the subsequent quarters, growth eased to 7.3% due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, depreciating Indian rupee, rising crude prices and conditions exacerbated as recovery in some advanced economies caused faster investment outflows.

India's GDP growth vis-à-vis other nations



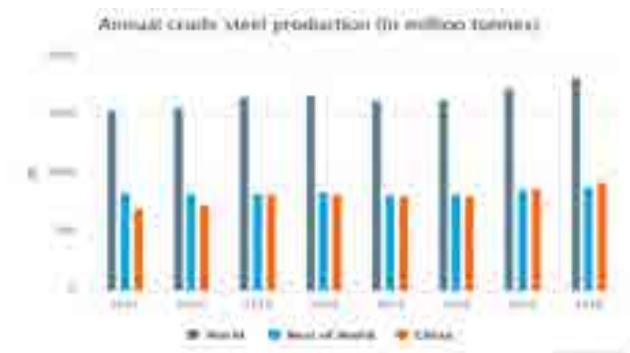
(Source: <https://economictimes.indiatimes.com/news/economy/indicators/indias-gdp-expected-to-grow-at-7-3-in-2018-19/articleshow/67451511.cms>)

Steel industry overview

Global

For major part of 2018, the global steel industry witnessed a steady y-o-y growth, driven by a broad-based global growth recovery across most advanced and emerging economies including countries like U.S. and China.

Global crude steel production reached 1,808.6 million tonnes (MT) for the year 2018, up by 4.6% compared to 2017. Crude steel production increased in all regions in 2018 except in the EU, which saw a 0.3% contraction.



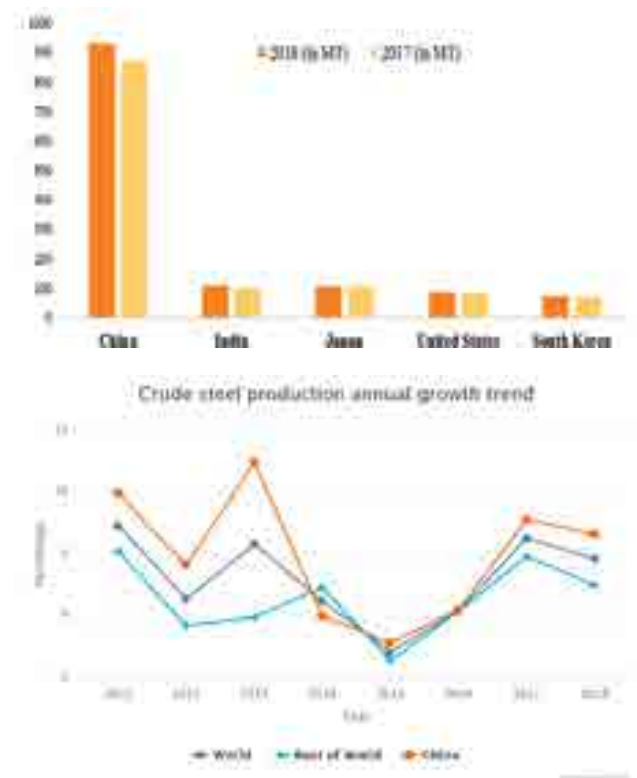
Asia produced 1,271.1 Mt of crude steel in 2018, an increase of 5.6% compared to 2017. China's crude steel production in 2018 reached 928.3 Mt, up by 6.6% on 2017. China's share of global crude steel production increased from 50.3% in 2017 to 51.3% in 2018. India's crude steel production for 2018 was 106.5 Mt, up by 4.9% on 2017, meaning India has replaced Japan as the world's second largest steel producing country. Japan produced 104.3 Mt in 2018, down 0.3% compared to 2017. South Korea produced 72.5 Mt of crude steel in 2018, an increase of 2.0% compared to 2017.

The EU produced 168.1 Mt of crude steel in 2018, a decrease of 0.3% compared to 2017. Germany produced 42.4 Mt of crude steel in 2018, a decrease of 2.0% on 2017. Italy produced 24.5 Mt in 2018, up by 1.7% on 2017. France produced 15.4 Mt of crude steel, a decrease of 0.7% on 2017. Spain produced 14.3 Mt of crude steel in 2018, a decrease of 0.1% on 2017.

Crude steel production in North America was 120.5 Mt in 2018, 4.1% higher than in 2017. The US produced 86.7 Mt of crude steel, up by 6.2% on 2017. The CIS produced 101.3 MT, an increase of 0.3%. Russia produced 71.7 Mt of crude steel in 2018, up by 0.3% on 2017. Ukraine produced 21.1 Mt of crude steel in 2018, a decrease of -1.1% compared to 2017.

Annual crude steel production for South America was 44.3 Mt in 2018, an increase of 1.3% on 2017. Brazil produced 34.7 Mt in 2018, up by 1.1% compared to 2017. The Middle East produced 38.5 Mt of crude steel in 2018, an increase of 11.7% on 2017. Iran produced 25.0 Mt in 2018, up 17.7% on 2017. Turkey's crude steel production for 2018 was 37.3 MT, down by 0.6% on 2017.

Top 5 steel producing countries



Global steel prices: Slowdown in the Chinese economy and oversupply by Chinese steel firms has resulted in the steel prices dropping in 2018. The uptick in steel demand from 2016 onwards has supported a rebound in steel prices from its 2015 lows and it continued till mid-2017. But owing to slowing demand, steel prices again came under pressure in the second half of 2017 and for major part of 2018. However, during the latter half of 2018 prices again started improving owing to the cost-push factors. Start of 2019 again saw the prices bottom out spurred by higher iron ore prices.

Indian Steel industry

The Indian steel industry has entered into a new development stage, post de-regulation, riding high on the resurgent economy and rising demand for steel. Rapid rise in production has resulted in India in becoming the 2nd largest producer of crude steel during



the current year (2018) and is all set to take over USA to become the world's second largest steel consumer in 2019. In FY18, India clocked a total steel production of 104.98 million tonnes (MT), while finished steel and crude steel production stood at 103.13 MT.

Factors driving growth of the Indian Steel industry

Demand side

- India's finished steel consumption is anticipated to increase to 230 MT by 2030-31 as per the National Steel Policy 2017.
- India has one of the lowest per capita consumption of steel compared to international average.
- With India emerging as one of the fastest growing economy, demand for steel is expected to be supported by strong growth in the domestic market. Infrastructure, oil and gas and automotive industry are expected to drive the growth of the industry.

India's competitive advantage

- As of 2018, India emerged as the world's second largest producer of crude steel (up from eighth spot in 2003) with a total production of 106.5 MT in 2018.
- Easy availability of low-cost manpower coupled with the abundant presence of iron ore is expected to make India the next steel hub of the world. India is home to the fifth-highest reserves of iron ore in the world.

Investment opportunities

- With a target to achieve steel capacity build-up of 300 million tonnes per annum (MTPA) by 2030, India would need to invest US\$ 156.08 billion by 2030-31.
- The industry is witnessing consolidation of players which has led to investments by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.

***except low grade (below 58%)**

Global Steel Tubes and Pipes Industry

Increased construction activity across the world owing to the recovery of the global economy, coupled with the increased infrastructural investment in the oil and gas industry owing to the revival in the oil prices; the prospects for global metal and steel pipe industry looks promising. With increased opportunities across different sectors like oil and gas, power generation, automotive, water and waste management and industrial sector, the industry is expected to grow a CAGR of 3.9% from 2018 to 2023 to reach an estimated \$97.7 billion by 2023. The oil

and gas market are expected to lead application for steel pipe, accounting for over half of demand. Replacement of aging pipelines is another factor that is expected to drive the market.

Indian steel pipes industry

With India emerging as one of the fastest growing economies in the world, demand for galvanized steel pipes has also been on a rise over the last couple of years in India driven by different sectors like infrastructure, automotive, oil & gas and water management. Owing to some its innate properties like high durability, low corrosion rate, high efficiency, recyclability, strength and low permeation to hydrocarbon and methane, corrosion, and impact resistance, steel pipes have gained extreme popularity across different industries in India in the recent times.

India is among the fastest growing steel tubes and pipe manufacturers in the world with production estimated at about 10mn tons a year. Over the years, India has emerged as the global pipe manufacturing hub due to lower costs, superior quality and geographical advantages. The future growth in the sector will be driven by increasing government spending on infrastructure segment, Make in India drive, Housing for all by 2020, upcoming airports and metro cities and oil & gas segment etc. With the focus on development of infrastructure and several initiatives of Central Government, Galvanized steel tubes market in India is forecasted to grow at a CAGR of 6.13% during 2017-2021.

Different industries and sectors where steel pipes are used

Industrial sheds	Steel furniture
Scaffoldings	Tripper/trailer body
Pre-fabricated house	Bus body structures
Low cost steel housing	Cranes and towers
Airports	Material storage racks
Bridges	Railway wagon
Road dividers	Railway coaches
Telecom towers	Hoardings
Bridge railing	Machine components
Electrical conduits	Automobile chassis
Cooling towers	Mine roof support system
	Cable ducting

With India emerging as one of the fastest growing economies in the world, demand for galvanized steel pipes has also been on a rise over the last couple of years in India driven by different sectors like infrastructure, automotive, oil & gas and water management.

Growth drivers for the Indian steel pipes industry

- With increased focus on the part of the government for creation of large scale infrastructure in the country like creation of water grids, gas distributions, affordable housings, renewable energies, transmission and telecom, aviation and agriculture and irrigation among others
- With emphasis on usage of natural gas, the surge in demand for pipes harbors huge prospects for the Indian pipe industry to penetrate into the international market and at the same time maintain growth momentum in domestic market. With energy demand expected to rise by 60.7% in India by 2025, the domestic market has the huge potential to support the growth of the industry.
- India has laid emphasis on infrastructure, ranging from malls to airports. Similarly, sectors such as real estate, automobiles and telecommunications among others hold potential to drive the demand for the pipe industry
- The Indian government has announced an investment of US\$110 billion for improving its ports and shipbuilding industry by 2020. Thus, steel tubes

and pipes will find major application in ports.

- Government of India will be spending Rs. 8,500 billion over the next five years to modernize Indian Railways, a major growth driver for the industry
- Fleets are going to be increased and upgraded led by increased adoption of air travel. Also, more airports across the country are planned.
- Housing shortage in both urban and rural India points to an investment opportunity as urban infrastructure requires additions and upgrades.

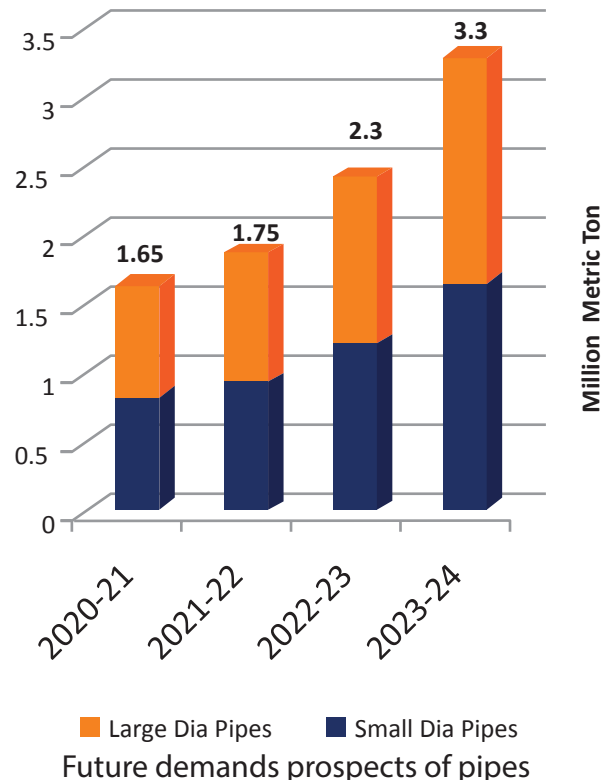
Business and Company overview

Hi-Tech Pipes Limited (hereafter to be referred as the Company) is one of the largest steel pipes manufacturer in India and has a diversified product portfolio catering to various sectors and industries including all reputed public sector undertakings. Engaged in the manufacturing of steel products like steel tubes and pipes like hollow sections, CR sheets and strips, galvanized coils and metal crash barriers, the Company is a market leader in the crash barrier segment. With the success in the piping segment, the Company recently forayed into the solar structures segment.

Strong Demand through Mission Jal Shakti : “Nal Se Jal”

Piped Water Connection to All Households by 2024

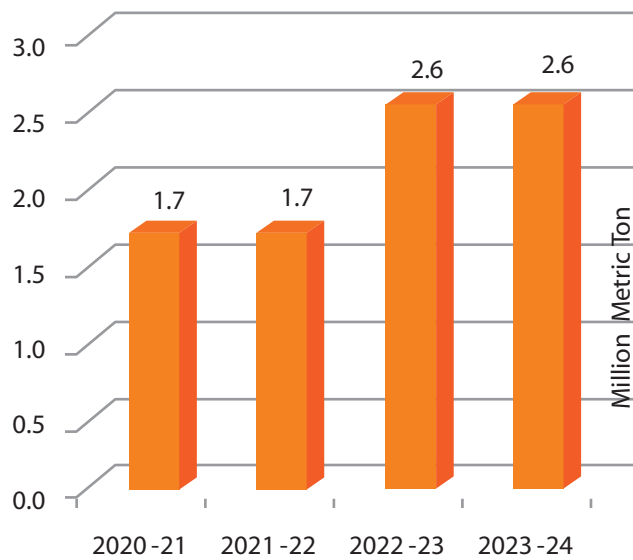
	Number in Crore	%
1. Number of total Households in India	18.00	Crore
2. Number of Piped Water Connection presently Available	3.20	18%
3. Number of Piped Water presently Required	14.8	82%
4. Plan for providing Pipes Water Connection by 2024		
2020 -21	1.5	10%
2021 -22	3.0	20%
2022 -23	4.5	30%
2023 -24	5.8	40%



Strong Demand through : “ City Gas Distribution ”

Piped Gas Connection
to 1/3rd Households by 2027

Particulars	Number in Crore	%
1. Number of total Households in India	18.00	Crore
2. Number of Piped Gas Connection presently Available	0.35	2%
3. Number of Piped Gas presently Required	5.65	31%
4. Plan for providing Pipes Water Connection by 2027		
2020 -21	0.60	10%
2021 -22	0.60	10%
2022 -23	0.90	15%
2023 -24	0.90	15%



Future demand prospects of pipes

With a vision to emerge as one of the globally renowned player within its industry space, the Company focuses on manufacturing quality and specialised products that meets the requirements of its customers. With a keen eye on quality, the Company has imbibed the use advanced and state-of-the-art technologies across its manufacturing units. In line with this strategy, the Company recently forayed into high margin businesses like manufacturing of high-quality precision tubes at Sanand and Hindupur facilities and solar mounting structures segment at Bangalore. The Company also started commercial production of galvanized steel tubes at Hindupur facility.

Strong project execution capabilities

In FY2018, the Company successfully commissioned and started commercial production at its new factory in Sanad and Hindupur in a record time of 10 months. Further capacity expansion undertaken by the Company during the financial year under review was also completed by the Company. With an enhanced production capacity, the Company expects to strengthen its base in the Western & Southern market as well as tap opportunities for value added galvanised pipes in Southern market. The Company understands that through continuous innovation, productivity optimisation, de-bottlenecking and yield improvement, it can achieve the leading position in the industry.

Strong brand image and PAN India distribution network

Known for its product qualities like superior quality, customization, durability and competitive pricing, the Company enjoys preferred supplier status with some of the reputed business houses in India like L&T, NHAI, EIL, BHEL, DMRC, PGCIL, AAI, MMRDA, PWD, MES and RIL among others. With more than three decades in the industry, the Company has been successful in building a wide spread, deep routed and an ever growing distribution network comprising of more than 300 distributors spread across India. Quality of its product, transparency and trust in mutual relationship with the leading architects, builders and contractors of the country has helped the Company to build this wide spread brand presence.

Outlook

With an aspiration to reach a total installed capacity of 1 million MT, the Company is working towards creating a brand name within its industry space which is well respected not only in India but also in international markets. To fuel growth, the Company is creating value through addition of new value-added products, market expansion, creation of new product applications and setup of new manufacturing facilities at strategic locations.

Performance overview

With another year of commendable growth, the

company during the year focused on further capacity expansion. The Company further enhanced its capacity by 140,000 MT during the year to reach a **total production capacity of 5,00,000 MT as at 31st March 2019, compared**

to 3,60,000 MT at the end of FY2018. The Company's capacity utilisation for the financial year under review stood at 72% with 2,69,000 MT.

Financial performance review, FY2019

Particulars	FY2019 (Rs. Crore)	FY2018 (Rs. Crore)	% growth
Total revenue	1360	1016.00	34%
EBITDA	75	60.00	25%
PAT	27.50	21.00	31%
Cash profit	32.80	25.00	31%
EPS (Rs.)	25.80	20.40	27%

Sources of funds

Particulars	FY2019 (Rs. Crore)	% of Capital Employed	FY2018 (Rs. Crore)	% of Capital Employed
Equity share capital	10.70	5%	10.50	5%
Reserves and surplus	130.08	56%	95.07	49%
Money received against share warrants	6.00	2%	8	4%
Net worth	146.78	63%	113.57	58%
Loan funds	71.70	31%	70.44	36%
Deferred tax liability	11.42	5%	6.43	3%
Other long-term liabilities	1.59	-	6.94	3%
Capital employed	231.49	100%	197.37	100%

Hi-Tech's SWOT Analysis

Strengths

- The Company has highly qualified and experienced professionals of the industry. It believes that manpower and technology are the key drivers of business. Technology continues to support business operations and drive competitive advantage for the Company.
- The Company endeavours to utilize the capacity of its plants optimally in order to keep the cost at minimal levels. In the year under review, the Company has increased its installed capacity from 3,60,000 MT to 5,00,000 MT. The Company has achieved capacity utilization of 72% with 2,69,000 mt in the year 2018-19 as against 2,26,000 mt in the previous year. In order to optimize inventory cost, the Company follows 'Just in time' approach for inventory, these focus and initiatives reduced the inventory days to 39 days during the year under review as against 55 days in previous year.
- The Company has Multi located production units and skilled manpower and investments in state-of-the-art machineries and technologies. This gives it an edge over other steel players. This has also enabled the Company to produce superior quality products

With an aspiration to reach a total installed capacity of 1 million MT, the Company is working towards creating a brand name within its industry space which is well respected not only in India but also in international markets.

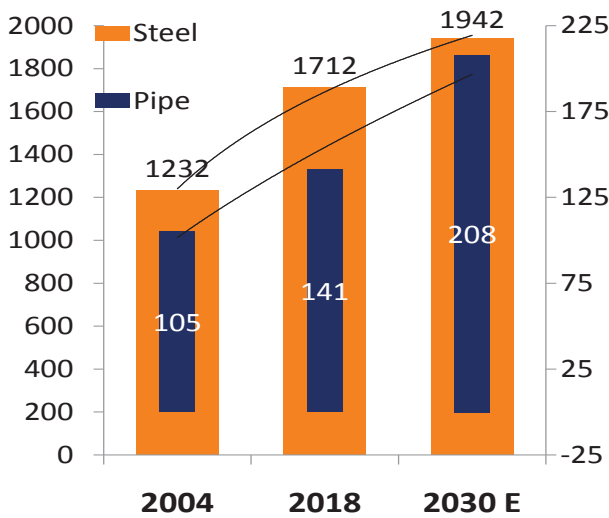
with cost efficiencies.

- The Company has well experienced and quality focused Management bandwidth. The Management is committed to deliver world class quality products to its customers in the shortest time, leading to improved customer relationship.

Weakness

- The Company is dependent on few suppliers for majority of raw materials like HR Coils and Skelp.** Any disruption in supply of raw materials from these suppliers or not favorable procurement terms, these issues could adversely affect the Company's financial performance.
- The Company manages sales operations with its dealers and distributors network. The revenue growth

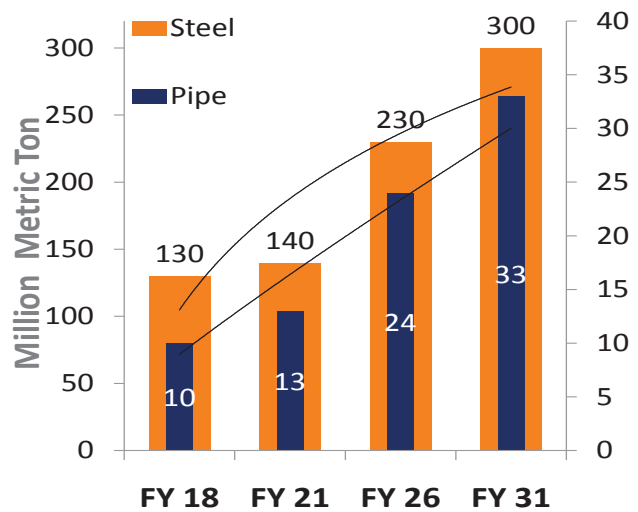
Global - Scenario



Per Capita Consumption in Kg

	2004	2018	2030
Steel	276	835	756
Pipe	21	90	103

India - Scenario



Per Capita Consumption in Kg

	FY 18	FY 26	FY 31
Steel	69	100	158
Pipe	6	10	19

has a linear correlation with the sales operations. The Company's inability to maintain network may result in loss of market share.

- The industry in which we operate is a capital intensive. The financing requirement is met through banking facilities or fresh infusion of funds or internal accruals. The Company's inability to manage the working capital can adversely impact the business operations and financial position.

Opportunities

- Increasing demand across rural India:** The different policies adopted by the government of India (GOI) like Pradhan Mantri Awa Yojana and Pradhan Mantri Gram Sadak Yojana is expected to enhance the per capita steel consumption in rural India from 12.11 kg to 14 kg for finished steel by 2020. With nearly 60% of the nation's population residing in the rural belts, this is expect to drive the demand for steel related products.
- Growing importance of power sector:** With the GOI's vision to achieve 175 GW of renewable power generation capacity by 2022 and further capacity addition of 58,384 MW from conventional sources between 2017-22 as per the National Electricity Plan 2018, is expected to lead to enhancement in both transmission and distribution capabilities. Thereby raising steel demand from the sector.
- Increasing usage of oil and gas:** India's primary

energy consumption of oil and gas is expected to reach 10 mbpd and 14 bcfd, respectively, by 2040. The anticipated surge in the oil and gas demand is likely to see an increase in demand of steel tubes and pipes for effective distribution purpose, therefore providing a lucrative opportunity to the steel industry.

- Improvement of railway infrastructure:** With the increased focused on the part of the GOI to improve the railway infrastructure of the country to accommodate internationally prevalent concepts like bullet train and semi-high speed trains, along with a Dedicated Rail Freight Corridor (DRFC) network is expected drive demand for steel in the country. Gauge conversion, setting up of new lines and electrification would drive steel demand.
- Increase in number of airports:** With the total passenger traffic at Indian airports standing at 280.25 million in FY2019 (till February 2019), more and more modern and private airports are expected to be set up across the Tier I and Tier II cities. Therefore, estimated steel consumption in airport building is likely to grow more than 20% over next few years.

Threats

- Steel being one of the major and key raw material used by the company, any abnormal aberrations in the steel prices may impact the profitability of the company. Steel industry being a highly cyclical

industry, steel prices are generally very volatile in nature and are being impacted by different macroeconomic factors like consumer confidence, employment rates, interest rates and inflation rates. The Company has put in place various measures to minimize the adverse effect of volatile prices of raw materials in the business.

- Nowadays, industry has become highly competitive and the results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or a failure to grow market share, any of which could substantially harm business and results of operations. The Company manages these threats with better products, informed customer relationships, focused demand generation efforts and a strong business outlook.

Human resources

The Company believes that its people are its most important asset and thus continuously strives to scale up its employee engagement, through well-structured systems and a visionary HR philosophy. The Company is committed to nurturing an open environment that allows for easy assimilation of ideas and enriches its collective knowledge pool. The Company aspires to evolve into a future-ready organization centred on promoting a collaborative and cohesive culture.

Environment, corporate sustainability and social responsibility

Corporate Social Responsibility (CSR) has been a long-standing commitment at Hi tech Pipes Ltd. The Company has framed its CSR Policy on the basis of guidelines issued by Department of Public Enterprises and the provisions of Companies Act, 2013. The CSR Policy of the Company sets the framework guiding such activities. It

The total employed capital by 17% in FY2019 as compared to the increase of 40% in FY2018, largely due to a capacity expansion at various plants.

outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. Our CSR Committee governs over and articulates the scope of CSR activities, thus ensuring compliance with CSR policy.

Cautionary Statement

This Statement contains forward-looking statements about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expressions for future are forward-looking statements. Forward-looking statements should be viewed in the context of many risk issues and events that could cause actual performance to be different from that contemplated in the Directors' Report and Management Discussions and Analysis Report, including but not limited to, the impact of changes in oil, steel prices worldwide, technological obsolescence and domestic, economic and political conditions. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors. The Company disclaims any duty to update the information given in the aforesaid reports.



MANAGEMENT REPORT

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present the 35th Annual Report of the Company for the Financial Year ended 31st March, 2019.

1. FINANCIAL SUMMARY OR HIGHLIGHTS

The Company's Financial Performance for the Financial Year ended March 31, 2019 is summarized below:

(Rupees in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Net Revenue from Operations	111761.26	81998.22	136042.24	101416.03
Other Operating Revenue	-	153.34	-	153.34
Other Income	134.37	178.60	138.09	131.01
Operating Profit before Finance Costs, Depreciation, Tax	5571.15	4753.82	7615.05	6145.39
Less: Depreciation and amortization expenses	413.58	327.49	530.97	400.07
Finance Cost	2304.07	2286.85	2985.39	2742.83
Profit before Tax and Exceptional Expenses	2854.00	2139.48	4098.69	3002.48
Less: Tax Expenses	1035.66	683.48	1363.72	901.67
Net Profit for the Year from Continuing operations	1818.41	1456.00	2734.97	2100.81
Net Profit for the Year from Discontinued Operations	-	0	0	0
Profit for the year	1818.41	1456.00	2734.97	2100.81
Other Comprehensive Income	16.99	-	18.02	-
Total comprehensive income for the year, net of tax	1835.41	1456.00	2752.99	2100.81
Earning per equity share (Face Value of ₹10 each)				
- Basic	16.28	14.13	25.79	20.39
- Diluted	16.28	12.88	24.36	18.59

2. During the Financial Year 2018-19, revenue from operations on standalone basis increased to Rs. 111761.26 lacs as against 81998.22 lacs in the previous year- a growth of 36%.

The profit after tax for the current year is Rs. 1835.41 lacs against Rs.1456.00 lacs in the previous year a growth of 26%.

On a consolidated basis, the group achieved revenue of Rs. 136042.24 lacs as against Rs. 101416.03 lacs – a growth of 34 %. Net profit for the current year is Rs. 2752.99 lacs against Rs. 2100.81 lacs in the previous year – a growth of 31%.

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

Your Company is a Multi Product company marking its presence in steel pipes, hollow sections, tubes, cold rolled coils & strips, road crash barriers, solar mounting structures and a variety of other galvanised products since more than 3 decades. The end uses of these products are in high-

rise buildings, metro stations, bridges, dams, refineries, telecom, airports, highways, power projects etc.

During the year under review, your Company's State of Affairs can be stated in a nutshell as follows:

- Started Commercial production of galvanizing facility of ERW Steel Pipes at Hindupur, Andhra Pradesh.
- Awarded with Secondary Steel Sector Trophy and Silver Certificate from the Ministry of Steel government of India in the standalone category of Sheets/Coils product under cold rolling process route.
- Installation of Solar Rooftop project at Hindupur facility, Andhra Pradesh. This project will be generating 400KW of energy. It has a capacity of 6,00,000 units/year and will help in reduction of carbon footprint by 483 tonnes/year.

- Achieved monthly sales of 27,000 MT in August, 2018 which is highest ever monthly sales volume in Company's history
- Achieved ever highest profit in last Quarter of Rs. 8.3 Cr. with a growth of 64%

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

4. DIVIDEND

Your Directors are pleased to recommend a final dividend of Rs. 0.25/- per Equity Share for the year 2018-19. The proposed dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of Rs. 36.92 Lacs (including Corporate Dividend Tax of Rs.5.45 Lacs). The dividend would be payable to all those Shareholders whose names appear in the Register of Members as on the Book Closure Date.

The Register of Members and Share Transfer books shall remain closed as per the schedule given in notice of Annual General Meeting.

5. CONSOLIDATED FINANCIAL STATEMENTS OF SUBSIDIARY & ASSOCIATE COMPANY

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2018-19, together with the Auditors' Report form part of this Annual Report.

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

The said Form also highlights the financial performance of each of the subsidiaries included in the CFS of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays upto the date of

the AGM. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the CFS, and all other documents required to be attached to this report have also been uploaded on the website of the Company at www.hitechpipes.in

The Company has no material subsidiary company.

During the Year under review your company has made an Investment of Rs. 47,10,000/- (Forty Seven Lac and Ten Thousand Only) in the shares of HTL Ipsat Private Limited and gained 100% control over the shares of HTL Ispat Private Limited, Consolidated Balance Sheet of the company includes Balance Sheet of HTL Ispat Pvt Ltd.

6. AWARDS AND ACCOLADES

Your Directors are happy to report that during the year, your company received the following awards and accolades from distinguished bodies for achievements in various fields:

- ✓ **SECONDARY STEEL SECTOR SILVER TROPHY** for excellence in performance by Sh. Chaudhary Birender Singh, Hon'ble Ministry of Steel, Government of India.

7. MATERIAL CHANGES AND COMMITMENT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year 2018-19 and the date of this report. There has been no change in the nature of business of the Company.

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

No appointments or resignations took place during the year under review in the list of Directors or Key Managerial Personnel of your company.

9. BOARD OF DIRECTORS

DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as clause (b) of sub-regulation (1) of Regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have

confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

5 (Five) meetings of the Board of Directors were held during the financial year 2018 – 19. The details of the meetings of the Board of Directors of the Company convened during the financial year 2018-19 are given in the Corporate Governance Report which forms part of this Annual Report.

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Anish Bansal (Whole Time Director), is liable to retire by rotation at the ensuing AGM and being eligible offered themselves for re-appointment.

In accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Listing Regulations and the Articles of Association of the Company, the Independent Directors and the Managing Director of the Company are not liable to retire by rotation.

10. COMMITTEES OF THE BOARD

A detailed note on the Board and its Committees is provided in the "Report on Corporate Governance" forming part of this Annual Report. As on March 31, 2019, the Board has the following standing Committees:

MANDATORY COMMITTEES

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

NON-MANDATORY COMMITTEES

- i. Executive Committee
- ii. Securities Allotment Committee

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

11. MEETING OF INDEPENDENT DIRECTORS

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015, a separate Meeting of the Independent Directors of the Company was also held on 14th February, 2019, without the presence of non-independent directors and members of the management, to review the performance of non-independent directors and the Board as a whole, the performance of the Chairperson of the company and also to assess the quality, quantity and timeliness of flow of information between the company management and the Board.

12. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement:-

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

13. EXTRACT OF THE ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 forms part of the Directors' Report and is annexed herewith as "ANNEXURE-2".

14. AUDITORS AND THEIR REPORTS

STATUTORY AUDITOR:

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

Firm Registration No. 004616N) New Delhi were appointed as Statutory Auditors at 33rd Annual General Meeting (AGM) of the Company held on 25th September, 2017 for a term of 5 consecutive years.

M/s. A.N. Garg & Co, Chartered Accountants have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Reports given by the Statutory Auditors on the financial statements of the Company, the consolidated financial statements of the Company and its subsidiary for the financial year ended March 31, 2019, form part of this Annual Report. There has been no qualification, reservation or adverse remarks made by Statutory Auditors in their Reports. The Statutory Auditors have not reported any frauds to the Audit Committee under Section 143(12) of the Act.

SECRETARIAL AUDITORS AND THEIR REPORT

The Board of Directors of the Company has appointed NSP & Associates, Practicing Company Secretary (Certificate of Practice No. 10937), as the Secretarial Auditor to conduct an audit of the secretarial records for the financial year 2019 - 20.

The Company has received consent from NSP & Associates to act as the auditor for conducting audit of the secretarial records for the financial year ending 31st March, 2019.

The Secretarial Audit Report for the financial year ended 31st March, 2019 under Companies Act, 2013, read with Rules made thereunder and Regulation 24A of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **ANNEXURE-3** to this report.

The Secretarial Compliance Report for the financial year ended 31st March, 2019, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations is set out in **ANNEXURE-4** to this report. The Secretarial Compliance Report has been voluntarily disclosed as part of Annual Report as good disclosure practice.

The Secretarial Audit Report and/or Secretarial Compliance Report does not contain any qualification, reservation or adverse remark.

COST AUDITORS

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

The Board of Directors of the Company, on the

recommendations made by the Audit Committee, has appointed M/s. S. Shekhar & Co., Cost Accountants, (Firm Registration No. 000452) as the Cost Auditor of the Company to conduct the audit of cost records of certain products for the financial year 2019 – 20 at a remuneration of Rs. 50,000/-. As required under the Companies Act, 2013, the remuneration payable to the cost auditors is required to be placed before the members, for ratification. The Board recommends the ratification of remuneration of cost auditors of the company.

In terms of Section 148 of the Companies Act, 2013, the company had appointed M/s S.Shekhar & Co. Cost Accountants as the Cost Auditors of the Company to audit the Cost records for the FY 2018-19, M/s S. Shekhar & Co. Cost Auditors shall submit their report to the company in due course of time.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, guarantees and investments covered under Section 186 of the Act read with the Companies (Meetings of Board and its powers) Rules, 2014, as on 31st March, 2019 are given in Note No. 6 to the Financial statements forming part of this Annual report.

16. RELATED PARTY TRANSACTIONS

During the financial year 2018-19, the Company entered into transactions with related parties as defined under Section 2 (76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

Further, there were no transactions with related parties which qualify as material transactions in accordance with policy of the company on materiality of related party transactions. In view of the above, disclosure in Form AOC-2 is not applicable. All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

The details of the related party transactions as per Indian Accounting Standards (Ind AS) - 24 are set out in Note 36 to the Standalone Financial Statements of the Company.

The policy on Related Party Transactions is available on the website of the Company at http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy_on_Dealing_with_Related_Party_Transactions.pdf

17. DEPOSITS

Your Company has not accepted any deposits within the

meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, there are no unclaimed or unpaid deposits lying with the company for the year under review.

18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

19. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of:

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

Mr. Anish Bansal is the Chairman of the Committee.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **ANNEXURE-5** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

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

http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/CSR_Policy.pdf

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

Details pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and are annexed herewith as **ANNEXURE-6**.

21. CORPORATE GOVERNANCE

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

from time to time. The Company has implemented several best Corporate Governance Practices as prevalent globally.

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

22. RISK MANAGEMENT

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The objective of Risk Management at Hi Tech Pipes Limited is to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities. An enterprise-wide risk management framework is applied so that effective management of risks is an integral part of every employee's job.

The Company has adopted Risk Management Policy which is aimed at creating and protecting Shareholders value by minimizing threats and losses and identifying and maximizing opportunities. Your Directors periodically review the risk associated with business or threatens the prospects of the Company.

23. FORMAL ANNUAL EVALUATION

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

- (i) Adequacy of the constitution and composition of the Board and its Committees
- (ii) Understanding of the Company's principles, values, philosophy and mission statement
- (iii) Matters addressed in the Board and Committee meetings
- (iv) Effectiveness of the Board and its Committees in providing guidance to the management of the Company
- (v) Processes followed at the meetings
- (vi) Board's focus, regulatory compliances and Corporate Governance

The performance of the Committees was also evaluated by the members of the respective Committees on the basis of the Committee effectively performing the responsibility as outlined in its Charter/Terms of reference. Similarly, the evaluation of the Independent Directors and other

individual Directors' performance was made by the entire Board, on the basis of the following assessment criteria:

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

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

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

During the period under Review, no material order has been passed by any Regulator or Court excepting to the extent as may be mentioned in Notes to Accounts attached to the Financial Statements forming part of this Annual Report.

25. WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the requirements of the provisions of Section 177 of the Act read with Regulation 22 of the Listing Regulations, the Board has established a vigil mechanism for Directors, employees and other stakeholders to disclose instances of wrongdoing in the workplace and report instances of unethical behavior, actual or suspected fraud or violation of the Company's Policies. The policy is available on the website of the Company at http://www.hitechpipes.in/images/investorspdf/Vigil_Mechanism_Policy.PDF.

26. POLICY ON PROTECTION OF WOMEN FROM SEXUAL HARASSMENT

The Company has always endeavored for providing a better and safe environment free of sexual harassment at all its work places. The Company has in place a robust policy on Protection of Women from Sexual Harassment in line with the requirements of the Sexual Harassment of Woman at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Policy applies to, in relation to a workplace, a woman, of any age whether employed or not, all categories of employees of the company, including permanent, management, workmen, trainees, probationers and contract employees of all cadres at its workplace or outside on official duty.

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

ICC Members	Designation
Ms. Tanvi Kumar	Independent Director (CHAIRMAN)
Ms. Rekha Singh	Head-Human Resource Department

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

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

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

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

During the year, M/s. Goyal & Goyal, Chartered Accountants were re-appointed as the Internal Auditors by the Board of Directors of the Company for the FY 2019-20. The audit scope and plans of internal audit are approved by the Board every year.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **ANNEXURE-7** and forms part of this Report.

29. ACKNOWLEDGEMENTS

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

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

Ajay Kumar Bansal
Chairman and Managing Director
New Delhi
25th May, 2019

ANNEXURE-1

Form AOC-1

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

(Rs. In Lakhs)

S. No	Particulars	Name	Name
1.	Name of the subsidiary	HTL Metal Private Limited	HTL Ispat Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR
4	Share capital (Rs. In Lakhs)	236.00	50.00
5	Reserves & surplus	1803.62	(0.87)
6	Total assets	11425.32	471.49
7	Total Liabilities	6267.35	424.37
8	Investments	0.03	-
9	Turnover	24280.98	-
10	Profit before taxation	1244.61	-
11	Provision for taxation	328.06	-
12	Profit after taxation	916.55	-
13	Proposed Dividend	NIL	NIL
14	% of shareholding	100	100

Part "B": Associates and Joint Ventures

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

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

ANNEXURE-2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS

CIN	L27202DL1985PLC019750
Registration Date	02/01/1985
Name of the Company	Hi-Tech Pipes Limited
Category of the Company	Company limited by Shares
Sub-Category of the Company	Non-Govt. Company
Address of the Registered office and contact details	505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi- 110034 Tel.No. - +91-11-48440050 Fax: +91-11-48440055 info@hitechpipes.in , www.hitechpipes.in
Whether Listed Company: Yes/No	Yes
Name, Address and Contact details of the Registrar and Transfer Agent, if any	Bigshare Services Private Limited (Mumbai Office) E- 2/3, Ansa Industrial Estate, Saki-Vihar Road Sakinaka Andheri (East), Mumbai- 400072 Tel. No.: 011 2352 2373 Fax: 91-22-2847 5207 For Investor queries/grievance E-mail: investor@bigshareonline.com Bigshare Services Pvt. Ltd. (Delhi Office) 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019 Tel: 011- 42425004

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and description of main products/services	NIC Code of the Product/ service	% of total turnover of the Company
1.	Steel Tubes & Pipes	24311	79%
2.	Flat Steel	24105	18%
3.	Engineered Products	24319	3%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	HTL Metal Private Limited 501, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi 110034	U27320DL2011PTC214435	Subsidiary	100	2 (87)
2.	HTL ISPAT PRIVATE LIMITED 501, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi-110034	U27100DL2011PTC214434	Subsidiary	100	2(87)

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

i) CATEGORY-WISE SHAREHOLDING

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Shareholding of Promoter and Promoter Group									
(1) Indian									
Individuals/ HUF	5365100	-	5365100	51.09	5443877	-	5443877	50.87	(0.22)
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	1068000	-	1068000	10.17	1068000	-	1068000	9.98	(0.19)
Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)	6433100	-	6433100	61.26	6511877	-	6511877	60.85	(0.41)
(2) Foreign									
Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-
Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	6433100	-	6433100	61.26	6511877	-	6511877	60.85	(0.41)
(B) Public shareholding									
(1) Institutions									
Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	28000	-	28000	0.27	34252	-	34252	0.32	0.05
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Institutional Investors	101500	-	101500	0.97	111500	-	111500	1.04	0.07
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Any Other (Domestic Co. & Market Maker)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	129500	-	129500	1.23	145752	-	145752	1.36	0.13
(2) Non-institutions									
Bodies Corporate	611500	-	611500	5.82	477362	-	477362	4.46	(1.36)
Individuals									
Individuals- Individual shareholders holding nominal share capital up to Rs 1 lakh	1368000	-	1368000	13.02	1207318	-	1207318	11.28	(1.74)
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1826500	-	1826500	17.39	1993044	-	1993044	18.62	1.23
Any Other (specify)	4000	-	4000	0.04	2340	-	2340	0.02	0.02
Clearing Member	46000	-	46000	0.44	333619	-	333619	2.79	(2.67)
Non Resident Indians (NRI)									

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Non Resident Indians (NON REPAT)	61500	-	61500	0.59	52431	-	52431	0.49	(0.1)
Non Resident Indians (REPAT)	16000	-	16000	0.15	11460	-	11460	0.10	(0.05)
NBFC Domestic	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	3938500	-	3938500	37.51	4077574	-	4077574	37.78	0.59
Total Public Shareholding (B)= (B)(1)+(B)(2)	4068000	-	4068000	38.74	4223326	-	4223326	39.14	(0.40)
TOTAL (A)+(B)	10501100	-	10501100	100	10701100	-	10701100	100	-
Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
Sub-Total (C)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	10501100	-	10501100	100	10701100	-	10701100	100	-

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 31.03.2018			Shareholding at the end of the year As on 31.03.2019			% of Change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered of total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered of total shares	
1.	AJAY KUMAR BANSAL	1491900	14.20%	0.28%	1520677	14.21%	0.28%	0.01
2.	ANISH BANSAL	737600	7.02%	NIL	767600	7.17%	NIL	0.15
Total		2229500	21.22%	0.28%	2288277	21.38%	0.28%	0.16

iii) Change in Promoter's Shareholding

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year As on 01.04.2018		Shareholding at the end of the year As on 31.03.2019		% of Change in share holding during the year
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	AJAY KUMAR BANSAL	1491900	14.20%	1520677	14.21%	0.01
2.	ANISH BANSAL	737600	7.02%	767600	7.17%	0.15
Total		2229500	21.22%	2288277	21.38%	0.16%

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

S. No.	For each of the Top ten Shareholders	Shareholding at the beginning of the year as on 01.04.2018		For each of the Top ten Shareholders	Shareholding at the end of the year as on 31.03.2019	
		No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
1	MAHESH DINKAR VAZE	348000	3.31%	MAHESH DINKAR VAZE	340000	3.18%
2	SI INVESTMENTS AND BROKING PRIVATE LIMITED	130000	1.24%	VAISHALI YATIN SHAH	160546	1.50%
3	VAISHALI YATIN SHAH	120000	1.14%	HARDIK MANOJ SHAH	115500	1.08%
4	HARDIK MANOJ SHAH	103500	0.99%	TRANSATLANTIC ARBITRAGE FUND LTD	110500	1.03%
5	TRANSATLANTIC ARBITRAGE FUND LTD	100500	0.96%	PUNE E STOCK BROKING PVT LTD	96550	0.90%
6	RUCHI PRAMOD GUPTA	99000	0.94%	SHEELA VIMAL JAIN	90500	0.85%
7	SHEELA VIMAL JAIN	90500	0.86%	AVR TRENDS INTERNATIONAL PVT LTD	90000	0.84%
8	AVR TRENDS INTERNATIONAL PVT LTD	90000	0.86%	VIMAL SAGARMAL JAIN	83500	0.78%
9	VIMAL SAGARMAL JAIN	83500	0.80%	VIMAL SAGARMAL JAIN	79500	0.74%
10	PRAMOD CHIMMANLAL GUPTA	78000	0.74%	PRAMOD GUPTA HUF	68989	0.64%

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

S. No.	Particulars	Shareholding at the beginning of the year as on 01.04.2018		Shareholding at the end of the year As on 31.03.2019	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
A	Directors:				
1	Ajay Kumar Bansal	1491900	14.20%	1520677	14.21%
3	Anish Bansal	737600	7.02%	767600	7.17%
B	Key Managerial Personnel				
1	-	-	-	-	-

V. INDEBTEDNESS

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

(Rs. in Lakh)

Particulars	Secured Loans excluding	Deposits Unsecured	Loans Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18682.99	807.86	-	19490.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	86.41	-	-	86.41
Total (i+ii+iii)	18769.40	807.86	-	19577.26
Change in Indebtedness during the financial year				
Net Change	80.73	(552.87)	-	633.60
Indebtedness at the end of the financial year				
i) Principal Amount as on 31.03.2019	18755.41	251.99	-	19007.40
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due as on 31.03.2019	94.72	-	-	94.72
Total (i+ii+iii)	18850.13	251.99	-	19102.12

VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lacs)

S. No.	Particulars of Remuneration	Mr. Ajay Bansal (MD)	Mr. Anish Bansal (WTD)
1	Gross Salary	60.00	36.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	-	-
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	-	-
	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify	-	-
5	Others, please specify	-	-
	Total (A)	60.00	36.00
	Ceiling as per the Act	The Managerial Remuneration is within the limit, as prescribed under the Companies Act,2013	

B. Remuneration to other directors

(Rs. in Lacs)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Ms. Tanvi Kumar	Mr. P.K. Saxena	Mr. Vivek Goyal	Mr. Ajay Sahay	
1.	Independent Directors					
	Fee for attending Board	-	100000	100000	80000	280000
	Committee Meetings	-	-	-	-	-
	Remuneration by way of Commission	-	-	-	-	-
	Others, please specify (1)	-	-	-	-	-
2.	Other Non- Executive Directors					
	Fee for attending Board	-	-	-	-	-
	Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify (2)	-	-	-	-	-
	Total B = (1+2)	-	-	-	-	-
	Total Managerial Remuneration (A+B)	-	100000	100000	80000	280000

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

(Rs. in Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	18.0	4.44	22.44
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	- as % of profit	-	-	
	others, specify	-	-	
5	Others, please specify	-	-	
	Total (A)	18.0	4.44	22.44

V. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

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

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

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

- (1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, [herein after referred to as SEBI (LODR), 2015].
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (6) We further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management:
 - i. Applicable Labour Laws
 - ii. Applicable direct and indirect tax laws
 - iii. Prevention of Money Laundering Act 2002;
 - iv. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and
 - v. Forest (Conservation) Act, 1980
 - vi. Regulations & Guidelines issued by Ministry of Environment, Forest and Climate Change, Government of India
 - vii. Regulations & Guidelines issued by Ministry of Water Resources, Government of India
 - viii. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder
 - ix. The Air (Prevention and Control of Pollution) Act 1981 and rules made thereunder
 - x. Environment (Protection) Act, 1986 and rules made thereunder
 - xi. Guidelines issue by National Green Tribunal.

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

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

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

We further report that:

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

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

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

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

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

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

1. Made conversion of Warrants as follows:

S. No.	No. of Warrants	Date of Board Meeting
1.	133332	17th May, 2018
2.	33334	28th May, 2018
3.	33334	31st May, 2018

**For NSP & Associates
Company Secretaries**

(Proprietor)

**FCS No.: 9028
C P No.: 10937**

Place: New Delhi
Date: 25 May, 2019

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

"Annexure A"

To,
The Members,
Hi-Tech Pipes Ltd.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we have reported on the basis of unsigned and unaudited Financial Statement for the Financial Year ended 31st March, 2019.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For NSP & Associates,
Company Secretaries

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

Place: New Delhi
Date: 22nd May, 2019

ANNEXURE -4

**SECRETARIAL COMPLIANCE REPORT OF
HI-TECH PIPES LTD. (CIN: L27202DL1985PLC019750)
FOR THE YEAR ENDED ON 31ST MARCH, 2019**

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

- all the documents and records made available to us and explanation provided by HI-Tech Pipes Ltd. (CIN: L27202DL1985PLC019750) ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,

for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of :

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, We hereby report that, during the Review Period:

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

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

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

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

For NSP & Associates
Company Secretaries

Naveen Shree Pandey
(Proprietor)
FCS No.: 9028
C P No.: 10937

Place: New Delhi
Date: 25th May, 2019

ANNEXURE -5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013] FOR THE FINANCIAL YEAR 2018-19

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes**

Terms of reference of the CSR Committee:

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

The Corporate Social Responsibility Policy of the Company is available on the website of the Company. The Web link for the same is:

http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/CSR_Policy.pdf

2. Average Net Profit of the Company for the last Three Financial Year: Rs. 12.63 Cr.
3. Prescribed CSR Expenditure (Two percent of the Average Net Profit as in item 3): Rs. 25.27 lakhs
4. Details of the amount spent for the financial year: Rs. 56.26Lakhs
5. **Composition of CSR Committee**

Name of the Director	Status	Nature of Directorship
Mr. Anish Bansal	Chairman	Whole Time Director
Ms. Tanvi Kumar	Member	Non-Executive Independent Director
Mr. Ajay Sahay	Member	Non-Executive Independent Director
Mr. Ajay Kumar Bansal	Member	Managing Director

Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (in Rs.)	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	Installed Roof Top Solar System	ENSURING ENVIRONMENTAL SUSTAINABILITY Covered under Schedule VII (vii)	Sanand, Gujarat	49.87	49.87	49.87	Direct
2.	Installed Roof Top Solar System	ENSURING ENVIRONMENTAL SUSTAINABILITY Covered under Schedule VII (vii)	Hindupur, Andhra Pradesh	6.39	6.39	6.39	Direct

6. In case the Company failed to spent Two Percent of the average Net Profit of Last three financial Years or any part thereof, the company shall provide the reason for not spending the Amount in its Board Report: Complete amount has been spent on the activities mention above.
7. Responsibility Statement

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-

Anish Bansal
Chairman of CSR Committee

Sd/-

Ajay Kumar Bansal
Member of CSR Committee

Sd/-

Ajay Sahay
Independent Director

ANNEXURE-6

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

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

Non –Executive Directors	Ratio to Median Remuneration
Ms. Tanvi Kumar	N.A.
Mr. P.K. Saxena	N.A.
Mr. Vivek Goyal	N.A.
Mr. Ajay Sahay	N.A.
Executive Director	Ratio to Median Remuneration
Mr. Ajay Kumar Bansal	28.5:1
Mr. Anish Bansal	18.3:1

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

Directors, Chief Financial Officer and Company Secretary	%increase in remuneration in the financial year
Mr. Ajay Kumar Bansal	66.6%
Mr. Anish Bansal Whole Time Director & Chief Financial Officer*	20
Ms. Tanvi Kumar	N.A.
Mr. P.K. Saxena	N.A.
Mr. Vivek Goyal	N.A.
Mr. Ajay Sahay	N.A.
Mr. Arvind Kumar Bansal as Chief Financial Officer	N.A.
Mr. Arun Kumar Company Secretary	N.A.

- C. The percentage increase in median remuneration of employees in the financial year: 8%
- D. The number of permanent employees on the rolls of the Company: 475
- E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was: 8%

Increase in the managerial remuneration for the year was: Nil

- F. affirmation that the remuneration is as per the remuneration policy of the company-Yes
- G. the names of the top ten employees in terms of remuneration drawn and the name of every employee, who-
- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than [one crore and two lakh rupees] - NIL
 - if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than [eight lakh and fifty thousand rupees per month]; - NIL
 - if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. - NIL
 - The Statement containing the particulars of Employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given at link of website. http://www.hitechpipes.in/pdf/Corporate%20announcements/MISCELLANEOUS/18-19/TopTenEmployees2018_19.pdf

ANNEXURE-7

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

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

A. Conservation of Energy:

- i) The steps taken or impact on conservation of energy
Using 100% CNG by SAIL (Environment friendly). Shifted from DC Drives to AC Drives which saves 20% energy.
- ii) The steps taken by the Company for utilizing alternate sources of energy

The Company has installed Rooftop Solar Project at Sanand Facility, Gujarat. This Solar project will be generating 400 KW of energy. It has a capacity of 250 kWp and can save significant money and energy while also protecting the environment. The estimated amount of reduction in the Carbon Footprint will be by 375 MTPA by reducing the emission of Carbon dioxide into the atmosphere. We also envisage significant Energy Cost savings under the net metering policy of Gujarat Electricity Regulatory Commission.
- iii) The capital investment on energy conservation equipments – NIL

B. Technology Absorption:

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

The technology used by the Company is updated as a continuous exercise. The Company recognizes that focused initiative on the development of new products would form the backbone of the Company's future

business performance and profitability. Keeping this in view, the Company has increased its efforts in terms of development of new products.

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

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

iii) Particulars relating to imported technology: NIL

iv) The expenditure incurred on Research and Development: NIL

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

C. Foreign Exchange Earning and Out Go:

The Detail with regard to foreign exchange earnings and out go are as under:

(In Lakh)

S.No	Particulars	Current Year	Previous Year
1.	Earnings in Foreign Currency	Nil	Nil
2.	Expenditure in Foreign Currency	Nil	Nil

CORPORATE GOVERNANCE REPORT

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

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS

The Company recognizes and embraces the importance of a diverse Board in its success and it believes that a truly diverse Board would leverage differences in thought, perspective, knowledge, skill and industry experience, which will enrich Board discussions and enable effective

decision making. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses.

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

a) Composition

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

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

b) Board Meetings

During the Financial Year ended March 31, 2019, Five (5) Meetings of the Board of Directors were held. The Meetings were held on 22.05.2018, 11.08.2018, 08.10.2018, 14.11.2018 and 14.02.2018.

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

Name of the Director	Category	No. Of Board Meeting attended during the year 2018-19	Attendance at the last AGM held on July 16, 2018	No. of Directorship of Companies (Including Hi-Tech Pipes Limited) as on March 31, 2019			No. of other Board Committees (Including Hi-Tech Pipes Limited) in which a Director is a Member or Chairperson as on March 31, 2019	
				Public	Private	Sec. 8 Co.	Chairman	Member
Mr. Ajay Kumar Bansal	Promoter/ Executive Director	5	Yes	1	8	Nil	Nil	1
Mr. Anish Bansal	Promoter/ Executive Director	5	Yes	1	3	Nil	Nil	1
Ms. Tanvi Kumar	Non Executive Independent Director	3	No	1	2	Nil	Nil	Nil
Mr. Prashant Kumar Saxena	Non Executive Independent Director	5	No	1	Nil	Nil	Nil	1
Mr. Vivek Goyal	Non Executive Independent Director	5	Yes	1	Nil	Nil	2	Nil
Mr. Ajay Sahay	Non Executive Independent Director	4	Yes	1	Nil	Nil	Nil	1

Notes:

1. The Directorship/ Committee membership is based on the disclosures received from the Directors and excludes foreign companies. Further, membership of only Audit and Shareholder's/ Investors' Grievance Committees are indicated.
2. Neither of the Directors is a member of the Board of more than 10 public companies in terms of section 165 of the Companies Act, 2013 nor is a Member of more than 10 Committees and Chairman of more than 5 committees as specified in Regulation 26 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.
3. Executive Directors viz. Mr. Ajay Kumar Bansal and Mr. Anish Bansal are inter-se related as Father and Son.

Board Procedures and flow of information

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

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

Availability of information to the Board

The Chairman of the Board and the Company Secretary

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

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

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

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

INDEPENDENT DIRECTORS

- i) **Ms. Tanvi Kumar** is the Non-Executive & Independent Women Director of the Company. Ms. Tanvi Kumar is a Law Graduate. She completed her BA LLB degree in year 2009 from ILS Law college- Pune, Maharashtra. She is a member of Bar Council of India and has rich experience in corporate Litigation matters and has also attended Mock session of UN Assembly. She is senior Associate in Khaitan & Company.

Directorship of the Companies (as on 31.03.2019)

SI No.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Director
2.	Prime Hiring India Private Limited	Director
3.	Prosecur Cit Integral Systems India private Limited	Director

- ii) **Mr. P.K. Saxena** has done Masters in Physics, Finance and also a Certified Associate of Indian Institute of Bankers (CAIIB). He is honorably retired as DGM from Punjab National Bank. He is having approximately three (3) decades of experience in the field of Bank Management, Product Enrichment, Distribution to derive /Maximize Profit, Operational Control: Credit Management, Business Analysis, Pre-sanction/Post- sanction follow up, Data Analytics, Foreign Exchange Loan syndication, All banking aspects, NPA/ Recovery Management, monitoring / follow up with SMA accounts.

Directorship of the Companies (as on 31.03.2019)

SI No.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Director

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

Directorship of the Companies (as on 31.03.2019)

SI No.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Director

- iv) **Mr. Ajay Sahay** did Mechanical Engineering from Birla Institute of Technology in 1979 with 1st Class Distinction. He has started his career as Graduate Trainee with **TATA STEEL**. He is having almost **FOUR decades of experience** in TATA Steel Limited in various discipline. He has rich experience in marketing and sales for over 25 years in various capacities across India. His major contribution has been implementation of value management in **Distribution Cold Rolling products** across country in retail and distribution. In his last assignment, he was heading corporate office Delhi where he along with his team was Liaising with Government of India to get various approvals for smooth working of Production Facilities & Large Mining operation. To assist Government of India, he was also deeply involved in advocacy to streamline various acts, regulations and guidelines to make "**Ease of doing of Business in India**" more meaningful.

Directorship of the Companies (as on 31.03.2019)

SI No.	Name of the Company	Position
1.	Hi-Tech Pipes Limited	Director

3. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, Independent Directors met on 14th February, 2019, inter alia, to:

1. Review & assess the performance of Non Independent Directors and the Board of Directors as a whole and Committee thereof;
2. Review & assess the performance of the Chairperson of the Company and Committee(s), taking into account the views of the Executive and Non-Executive Directors;
3. Review and assess the quality, quantity and timeliness

of flow of information between the management and the Board/Committee(s) that is necessary for the Board/Committee(s) to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

4. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

i. Composition

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

- a) Mr. Vivek Goyal (Non- Executive Independent Director, Chairman)
- b) Mr. P.K. Saxena (Non- Executive Independent Director)
- c) Mr. Anish Bansal (Whole-Time Executive Director)

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

ii. Powers of the Audit Committee:

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

iii. Role of the audit committee:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
- In terms of the Prohibition of Insider Trading Policy adopted by the Company, the Committees shall consider the following:
 - To approve policies in relation to the implementation of the Insider Trading code and to supervise implementation of Insider trading Code.
 - To note and take on record the status reports dealing the dealings by designated PERSONS IN Securities of

the Company, as submitted by the Compliance officer on Quarterly basis.

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

iv. Meeting and Attendance during the Year

During the Financial Year ended on March 31, 2019 five (5) meetings were held on 22.05.2018, 11.08.2018, 08.10.2018, 14.11.2018, and 14.02.2019

Details of attendance of Members at these are:

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. Vivek Goyal	5
2	Mr. P.K. Saxena	5
3	Mr. Anish Bansal	5

B. NOMINATION AND REMUNERATION COMMITTEE

i. Composition

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

- Mr. P.K. Saxena (Non- Executive Independent Director, Chairman)
- Mr. Vivek Goyal (Non- Executive Independent Director)
- Mr. Ajay Sahay (Non Executive Independent Director)
- Mr. Ajay Kumar Bansal (Executive Managing Director)

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

ii. Terms of reference

- Recommend to the Board the setup and composition of the Board and its Committees, including the "Formulation of the criteria for determining qualifications, positive attributes and independence of a Director." The Committee will consider periodical reviewing the composition of the Board

with the objectives of achieving an optimum balance of Size, Skills, independence, knowledge, age, gender and experience.

- Recommend to the Board the appointment or reappointment of Directors.
- Devise a policy on Board Diversity.
- Recommend to the Board appointment of Key Managerial Personnel (“KMP” as defined by the Act) and executive team members of the Company (as defined by this Committee).
- Carry out the evaluation of every director’s performance and support the Board and Independent Directors in evaluation of the performance of the Board”. Additional the Committee may also oversee the performance review process of the KMP and Executive team of the Company.
- Recommend to the Board the Remuneration policy for Directors, executive team or Key Managerial Personnel as well as the rest of the Employees.
- On an Annual basis, recommend to the Board the remuneration payable to the directors and oversee the remuneration to executive team or Key Managerial Personnel of the Company.
- Oversee the familiarization programmes for directors.
- Oversee the Human Resource philosophy, Human Resource and people strategy and Human Resource Practices including those for Leadership development, reward and recognition, talent management and succession planning (specifically for the Board, Key Managerial Personnel and Executive Team).
- Provide Guidelines for remuneration of Directors on Material Subsidiaries.
- Recommend to the Board on Voting Pattern for appointment and Remuneration of Directors on the Boards of Its material Subsidiary of the Companies.
- Performing such other duties and Responsibilities as may be consistent with the provisions of the Committee charter.

iii. Meeting and Attendance during the year

During the Financial Year ended on March 31, 2019, One Meeting of the Committee was held on 22.05.2018 and 14.02.2019.

Details of the members at the meetings are:

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

iv. Nomination and Remuneration Policy

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

v. Performance Evaluation

In accordance to Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committee, Board Culture, Execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board and independent director, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguard the interest of the Company and minority shareholders etc. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Further, the performance

evaluation of the Independent Directors was carried out by the Non Independent Directors who also reviewed the performance of Secretarial Department. The Directors expressed their

satisfaction with the evaluation process.

vi. **Details of Remuneration of Directors (For the Financial Year ended 31.03.2019)**

S. No.	Name of the Director	Salary and Allowances	Sitting Fees	Commission	Total
1.	Mr. Ajay Kumar Bansal	60,00,000	-	-	60,00,000
2.	Mr. Anish Bansal	36,00,000	-	-	36,00,000
3.	Ms. Tanvi Kumar	-	Nil	NIL	Nil
4.	Mr. P.K. Saxena	-	1,00,000	-	1,00,000
5.	Mr. Vivek Goyal	-	1,00,000	-	1,00,000
6.	Mr. Ajay Sahay	-	80,000	-	80,000

Criteria of making payments to Non-Executive Directors

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

Service Contract, Severance Fees and Notice Period

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

Shareholding of Non-Executive Directors in

the Company

As per the declarations received from the Non-Executive Directors, none of them hold any shares or convertible instruments in the Company.

C. STAKEHOLDER REALTIONSHIP COMMITTEE

i. Composition:

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

- Mr. Vivek Goyal (Non-Executive Independent Director, Chairman of the Committee)
- Mr. Ajay Sahay (Non-Executive Independent Director)
- Mr. Ajay Kumar Bansal (Executive Managing Director of the Company)

ii. Terms of References

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

iii. Meeting and Attendance during the year

During the FY ended March 31, 2019 no Request/ Complaint was received by the Company. However one meeting was held, to review the Investor Grievance and Redressal Mechanism of the Company, on 14.02.2019 .

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

i. Composition

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

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

ii. Terms of References

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

iii. Meeting and Attendance during the year

During the year One Meeting was held on 22.05.2018.

S. No.	Name of the Member	No. of Meetings Attended
1	Mr. Anish Bansal	2
2	Mr. Ajay Kumar Bansal	2
4	Mr. Ajay Sahay	2
5	Ms. Tanvi Kumar	2

E. OTHER NON MANDATORY COMMITTEES OF THE BOARD

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

i. Executive Committee of the Board

The Committee comprises of Two Members viz.

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

The terms of Reference of Executive Committee is available on the website of the Company viz. www.hitechpipes.in

ii. Securities Allotment Committee

The Committee Comprises of Three Members viz.

- Mr. Ajay Kumar Bansal (Chairman)
- Mr. Anish Bansal
- Mr. Ajay Sahay

The terms of Reference of Securities Allotment Committee is available on the website of the Company viz. www.hitechpipes.in

5. GENERAL BODY MEETINGS:

i) Particulars of Past Three Annual General Meetings:

Year	Venue	Date, Day & Time	Special Resolution passed
2017-18	Punjabi Bagh Club, Ring Road, Punjabi Bagh, New Delhi-110026	16/07/2018 Monday 10:30 A.M.	1. To approve raising of additional capital upto an amount not exceeding by Rs. 100 cr. 2. To consider and approve remuneration payable to M/s S.Shekhar & Co., Cost Accountants appointed as Cost auditors of the company for the FY 2018-19
2016-17	Punjabi Bagh Club, Ring Road, Punjabi Bagh, New Delhi-110026	25/09/2017 Monday 11:30 A.M.	1. Approval under section 180(1)(c) of The Companies Act, 2013 to borrows Money not exceeding Rs.10,00,00,00,000. (1000 Crore)
2015-16	Punjabi Bagh Club, Ring Road, Punjabi Bagh, New Delhi-110026	29/09/2016 Thursday 11:30 A.M.	2. Approval under section 180(1)(c) of The Companies Act, 2013 to borrows Money not exceeding Rs.500,00,00,000. (500 Crore) 3. Approval under section 180(1)(a) of The Companies Act, 2013 to mortgaging and/or charging all or any of the present and/or future movable and/or immovable properties and assets upto a sum not exceeding Rs. 5,00,00,00,000 (500 Crore)

6. POSTAL BALLOT

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

7. DISCLOSURES

- i) List of related parties and materially significant related-party transactions have been given in Note no. 36 of Significant Accounting Policies and Notes on Financial statements. However, there is no related party transaction which has potential conflict with the interests of Company at large.
- ii) The Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI or other statutory authorities relating to the capital markets as and when and to the extent it become applicable to the Company. No penalties or strictures have been imposed by them on the Company in the last Two years, since its inception.
- iii) As per the Whistle Blower Policy of the Company every employee of the Company has an open access to the respective Functional Heads, Head HRD, Managing Director as well as Executive Chairman so as to ensure ethical and fair conduct of the business of the Company. Further no personnel have been denied access to the Audit Committee during the FY ended March 31, 2019.
- iv) During the FY, the Company has complied with all the requirements of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015.

The Policy for determining 'Material' Subsidiaries is available at [http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy for determining Material Subsidiaries.pdf](http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy%20for%20determining%20Material%20Subsidiaries.pdf)

The Policy on dealing with related party is available at [http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy on Dealing with Related Party Transactions.pdf](http://hitechpipes.in/pdf/Codes%20and%20policies%20P1/Policy%20on%20Dealing%20with%20Related%20Party%20Transactions.pdf)

8. SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

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

9. MEANS OF COMMUNICATION

Quarterly, half yearly and annual results of the Company are duly published in English language in newspapers having nation- wide circulation and also in regional language newspapers of the registered office of the Company. The results are promptly submitted to National Stock Exchange of India Limited facilitating them to display the same on their website.

The company's results are available on the Company's website www.hitechpipes.in.

10. GENERAL INFORMATION FOR SHAREHOLDERS

a. Annual General Meeting

The details of Annual General Meeting shall be given in Notice of Annual General Meeting.

b. Financial Calendar 2019-20 (tentative and subject to change)

First Quarterly Results	on or before August 14, 2019
Second Quarterly Results	on or before November 14, 2019
Third Quarterly Results	on or before February 14, 2020
Annual results	on or before end of May 30, 2020

c. Date of Book Closure

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

d. Dividend Payment Date, if declared

On or Before the 5th day of its declaration.

e. Listing on Stock Exchange

Equity Shares of the Company are Listed on:

NSE (National Stock Exchange of India Limited),

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

Annual Listing Fees for the FY 2018-2019 has been paid to the above Stock Exchange. The Company has also paid annual custodial fees for FY 2019-20

to National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL).

f. Stock Code

i. National Stock Exchange EMERGE	HITECH
ii. International Securities Identification Number (ISIN) of Equity Shares	INE106T01017

g. Market Price Data

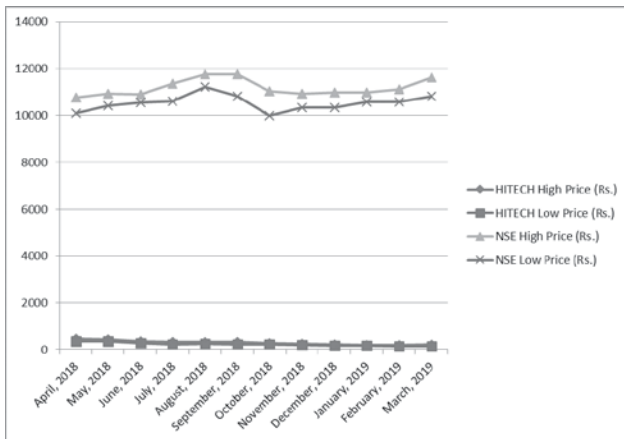
Monthly high and Low market price data of Equity Shares traded on stock exchange(s):

Month	HITECH	
	High Price (Rs.)	Low Price (Rs.)
April, 2018	465	358
May, 2018	446.8	360.1
June, 2018	380	283
July, 2018	342.8	240.35
August, 2018	332	263.25
September, 2018	345	230
October, 2018	282	223
November, 2018	263.3	197.1
December, 2018	223.55	171
January, 2019	220	181.05
February, 2019	210	160.6
March, 2019	230	163.35

h. Performance of the Company's Share price as compared to S & P CNX Nifty:

The Company is listed on the main Board of National Stock Exchange of India Limited. Hence, refer the comparison below:

Month	HITECH		NSE	
	High Price (Rs.)	Low Price (Rs.)	High Price (Rs.)	Low Price (Rs.)
April, 2018	465	358	10759	10111.3
May, 2018	446.8	360.1	10929.2	10417.8
June, 2018	380	283	10893.25	10550.9
July, 2018	342.8	240.35	11366	10604.65
August, 2018	332	263.25	11760.2	11234.95
September, 2018	345	230	11751.8	10821.55
October, 2018	282	223	11035.65	10004.55
November, 2018	263.3	197.1	10922.45	10341.9
December, 2018	223.55	171	10985.15	10333.85
January, 2019	220	181.05	10987.45	10583.65
February, 2019	210	160.6	11118.1	10585.65
March, 2019	230	163.35	11630.35	10817



CREDIT RATING

BRICKWORK RATINGS, the credit rating agency, has assigned the Long term credit rating **BWR A-** (Pronounced as **BWR Single A Minus**) (Outlook: Stable) and Short term credit rating have been assigned **BWR A2** (Pronounced as **BWR A TWO**).

Issue of warrants and Equity Shares

In previous financial year 2017-18, your Company has issued and allotted 8,00,000 Fully Convertible warrants and 2,00,000 Equity Shares to Promoter, Promoter Group and Non Promoter category on preferential basis at the face value of Rs. 10/- each and at a premium of Rs. 390/- each.

During the year 2018-19, 2,00,000 warrants were converted into equivalent no. of Equity Shares in following tranches:

Name of Allottees	No. of Warrants converted into equivalent no. of shares	Date of conversion
Mr. Dharmender Goel	50,000	17 th May, 2018
Mr. Rohit Goel	50,000	17 th May, 2018
Mr. Prateek Goel	16,666	17 th May, 2018
Mr. Vasudev Goel	16,666	17 th May, 2018
Total	1,33,332	

Name of Allottees	No. of Warrants converted into equivalent no. of shares	Date of conversion
Mr. Prateek Goel	33,334	28 th May, 2018
Total	33,334	

Name of Allottees	No. of Warrants converted into equivalent no. of shares	Date of conversion
Mr. Vasudev Goel	33,334	31 st May, 2018
Total	33,334	

The details of Warrants pending conversion are:

Name of Allottees	No. of Warrants converted into equivalent no. of shares
Mr. Anish Bansal	2,25,000
Mr. Vipul Bansal	2,25,000
Mr. Neeraj Kumar Aggarwal	1,00,000
Mr. Vipin Aggarwal	25,000
Mr. Praveen Kumar Jain	25,000
Total	6,00,000

The proceeds of allotment of Equity Shares during the year 2018-19 were used for general corporate purpose as mentioned in the notice of Postal Ballot dated 13th February, 2018.

i. Address for Correspondence by Investors

- Registrar & Share Transfer Agent

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

M/s Bigshare Services Private Limited

302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019

Tel: 011-42425004, 47565852

bssdelhi@bigshareonline.com | www.bigshareonline.com

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

Company Secretary

Hi-Tech Pipes Limited

Registered Office: 505, Pearls Omaxe Tower,

Netaji Subhash Place, Pitampura,

New Delhi-110034

Tel. +91-11-48440050

Email: cs@hitechpipes.in

info@hitechpipes.in

j. Share Transfer System

M/s Bigshare Services Private Limited processes the share transfer/transmission requests received in physical form, if any, at an interval of every 10 days and the same are approved by Share/ Debenture Transfer Committee constituted by Board of Directors.

k. Distribution of Shareholding by size as on 31.03.2019

Range of Equity Shares	No. of Share-holders	Percentage	No. of Shares	Percent-age
Upto 5000	993	87.95	1010838	9.44
5001 - 10000	67	5.94	489051	4.57
10001 - 20000	19	1.68	276784	2.58
20001 - 30000	6	0.53	138538	1.29
30001 - 40000	7	0.63	250049	2.34
40001 - 50000	10	0.88	473092	4.43
50001 - 100000	14	1.24	987228	9.23
100001 - 999999999	13	1.15	7075520	66.12
Total	1129	100.00	10701100	100.00

l. Dematerialization of shares and liquidity

The shares of the Company are tradable compulsorily in demat form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). As on March 31, 2019, 100% of the Company's total share capital was held in dematerialized form. The International Security Identification Number (ISIN) allotted to the Company's Equity Shares is INE106T01017. The Company's shares are actively traded on National Stock Exchange of India Limited.

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

The Company has not issued any ADRs, GDRs or any other convertible instruments.

n. Plant Locations

The Company is having Four State of Art Manufacturing Facility at Consolidated basis viz.

- Two Plant at **Sikandarabad**, Uttar Pradesh
Plot No. 10, UPSIDC Sikandrabad, Bulandshahar Uttar Pradesh-203 205
Plot No. 16, UPSIDC Sikandrabad, Bulandshahar Uttar Pradesh-203 205
- One at Ahmedabad**, Gujarat
Plot No. E-6, GIDC BOL-II, Sanand, Ahmedabad Gujarat-382 170
- One at Hindupur**, Andhra Pradesh
(A unit of HTL Metal Private limited (a wholly owned Subsidiary of Hi-Tech Pipes limited)
41-B, Gollapuram Hindupur Andhra Pradesh-515 211

o. Register Office

The Registered Office of the Company is 505, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi-110034

- During the year a loan of ₹12.14 crore taken from Director & Others.

11. MD/CFO CERTIFICATION

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman and Managing Director and the Chief Financial Officer of the Company have given compliance certificate, stating therein the matter prescribed under Part B of Schedule II of the said regulations. Copy of the Certificate is enclosed with the report.

In terms of Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman and Managing Director and CFO certified the financial results while placing the final results before the board.

11. PROMOTER AND CONTROLLING GROUP

The Promoter/ Promoter Group(s) of the Company are as follows:

S. No.	Name
1	Mr. Ajay Kumar Bansal
2	Mr. Anish Bansal
3	Ms. Parveen Bansal
4	Mr. Vipul Bansal
5	Ajay Kumar & Sons HUF
6	Mr. Shweta Bansal
7	Mr. Richi Bansal
8	Mr. Naresh Kumar Bansal
9	Ms. Krati Bansal
10	Ms. Kumud Bansal
11	M/s Hi-Tech Agrovision Private Limited
12	M/s AKS Buildcon Private Limited

12. OTHER REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange(s). Further, compliance of other requirements of the said regulations is provided below:

i. Non-Executive Chairman's Office:

The Chairman of the Company is an Executive Chairman and hence this provision is not applicable.

All Independent Directors are appointed/ reappointed in accordance with guidelines determined by the Board from time to time. Further, all the independent directors of the Company possess good qualifications and experience which is very useful to the Company and they contribute effectively to the Company in their capacity as Independent Directors of the Company. No maximum tenure has been specifically determined for the Independent Director

ii. Nomination and Remuneration Committee:

The Company has formed a Nomination and Remuneration Committee. The details of Nomination and Remuneration Committee as to scope and composition are detailed out earlier in this report.

iii. Shareholders' Rights:

According to the Applicability of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Companies Listed on SME Platform shall declare their Results on Half Yearly basis. Therefore, Half-yearly and Annual financial results of the Company are duly published in English language in newspapers having nation- wide circulation and also in regional language newspapers of the registered office of the Company. Further, these results are also posted on the website of the Company www.hitechpipes.in. Annual Report containing the detailed Balance Sheet and Profit & Loss Account is also sent to every shareholder of the Company.

iv. Audit Qualifications/ Remarks

There is no observation or remarks made by the Auditors.

v. Mechanism of evaluation of Non-Executive Directors

The Board of Directors including Non-Executive Directors is cast with the responsibility of strategic

supervision of the Company. In view of the same, the Board evaluates its Non-Executive Directors on the basis of individual contribution towards fulfillment of this responsibility.

vi. POLICY ON SUBSIDIARY

1. The Company shall consider a subsidiary as a material subsidiary if it satisfies any of the following criteria:

- a. the investment of the Company in the Subsidiary exceeds twenty per cent (20%) of its consolidated net worth as per the audited balance sheet of the previous financial year; or
- b. the Subsidiary has generated twenty per cent (20%) of the consolidated income of the Company during the previous financial year.

2. The Board shall appoint one of the Independent Director of the Company as a Director on the board of directors of the Material Non-Listed Indian Subsidiary.

3. The Company shall follow such governance procedures in relation to Material Subsidiaries as may be outlined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Act from time to time.

4. The Company shall not

- a. dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other Subsidiaries) to less than fifty percent (50%)/ cease the exercise of control over the Subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal; or
- b. sell, dispose and/or lease assets amounting to more than twenty percent (20%) of the assets of the Material Subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution, unless the sale/ disposal/lease is made under a scheme of arrangement duly approved by a Court/ Tribunal.

5. The Management of the Company shall monitor

and ensure that as and when any of the subsidiary is determined as a Material Subsidiary the same shall be intimated to the Audit Committee. The Audit Committee shall review the same and make suitable recommendations to the Board to ensure compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard.

In case of 1 (a), monitoring shall be done as and when an investment is made in any of the Subsidiary(s).

And in case of 1(b), monitoring shall be done at the time of finalizing the consolidated audited accounts.

This Policy may be amended by the Board from time to time to be in line with any amendments made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Act and such other guidelines issued by SEBI.

13. COMPLIANCE CERTIFICATE FROM THE SECRETARIAL AUDITORS OF THE COMPANY

Certificate from NSP & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated in 34(3) and 53(f) read with part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of Hi-Tech Pipes Limited

We have examined the compliance of conditions of Corporate Governance by Hi-Tech Pipes Limited ("the Company"), for the year ended 31st March, 2019, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange(s).

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

For **NSP & Associates**
Company Secretaries

Naveen Shree Pandey
(Proprietor)
FCS No. 9028
C.P. No. 10937

Place: New Delhi
Date: 05th July, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
 The Members of HI-Tech Pipes Ltd
 (CIN: L27202DL1985PLC019750)
 505, Pearl Omaxe Tower,
 Netaji Subhash Place,
 Pitampura , New Delhi - 110034

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HI-Tech Pipes Ltd. having CIN: L27202DL1985PLC019750 and having registered office at 505, Pearl Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034 (hereinafter referred to as '**the Company**'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

DIN/PAN	Name	Begin date	DIN Status
00670250	Anish Bansal	01/10/2017	Approved
01070123	Ajay Kumar Bansal	02/01/1985	Approved
01183098	Vivek Goyal	30/01/2018	Approved
06413301	Tanvi Kumar	20/03/2015	Director of Non-Compliant Company
08058166	Prashant Kumar Saxena	30/01/2018	Approved
08068961	Ajay Sahay	13/02/2018	Approved

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

Place: New Delhi
 Date: 04th July, 2019

Sd/-
Naveen Shree Pandey
 Membership No.: FCS-9028
 CP No.: 10937

CEO'S/CFO'S CERTIFICATE

The Board of Directors

Hi Tech Pipes Limited

We certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee, wherever applicable,
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For Hi-Tech Pipes Limited

Ajay Kumar Bansal
Chairman and Managing Director

Arvind Bansal
CFO

Date: 25 May, 2019

Place: New Delhi

Declaration of Compliance with the Code

I hereby confirm that: the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2019.

For Hi-Tech Pipes Limited

Ajay Kumar Bansal
Managing Director

Date: 25 May, 2019

Place: Delhi

**CONSOLIDATED
FINANCIAL
STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HI-TECH PIPES LIMITED

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of HI-TECH PIPES Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/ loss, comprising the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("IndAS"), of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including other comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional

judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. In determining the key audit matters and procedures performed as described below, we have considered reports of other auditors on separate Ind AS financial statements including deliverables given by them as part of group audit instructions sent to them.

INVENTORY EXISTENCE AND VALUATION

Description of Key audit matter

Inventory is held in various locations by the Group. There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the diverse & numerous inventory products, multiple storage locations and price fluctuations of products. Accordingly inventory quantities and valuation is identified as a key audit Matter.

Description of Auditor's Response

We have performed the following procedures:

- Reviewed the internal audit report regarding physical verification of inventories and traced adjustments on sample basis made on basis of such report to the books of accounts.
- Comparative analysis of inventory as at the end of the year with the inventory at the beginning of the year.
- We assessed whether the management's controls relating to inventory's valuation are appropriately designed and implemented.
- Verification of the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's

Information, but does not include the consolidated Ind AS financial statements and our auditors' report thereon.

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the Management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 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 Holding Company and its subsidiaries, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as

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

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- On the basis of the written representations received from the directors of the Parent as on 31st March, 2019 taken on record by the Board of Directors of the Parent, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.
- With respect to other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the holding company to its directors during the year is in accordance with the provisions of Section 197 of the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated Ind AS financial statements of the company has disclosed the impact of pending litigations on its consolidated financial position in its consolidated Ind AS financial statements.
- ii. The Group did not have any long term contracts include derivative contracts. Hence the question of any foreseeable losses does no arise.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

For A. N.GARG & COMPANY

Chartered Accountants
FRN- 004616N

A. N. GARG
(FCA, Partner)
M.No.-083687

Place: DELHI
Date: 25.05.2019

Annexure- A**To the Independent Auditor's Report**

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**To the Members of Hi-Tech Pipes Limited**

In conjunction with our audit of the consolidated Ind AS financial statements of the Hi-Tech Pipes Limited ("Company" or "Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to financial statements of Holding Company and its subsidiary companies, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was

established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Group's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of respective companies in the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to

future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matter paragraph, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For A. N.GARG & COMPANY

Chartered Accountants
FRN- 004616N

A. N. GARG
(FCA, Partner)
M.No.-083687

Place: DELHI
Date: 25.05.2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(Rs in Lacs)

DESCRIPTION	Note No.	As at 31.03.2019	As at 31.03.2018
I ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	2	16910.97	12,392.29
(b) Capital Work-in-Progress	3	369.09	1,740.43
(c) Other Intangible assets	4	8.25	7.03
(d) Financial Assets			
(i) Investments	5	0.03	0.03
(ii) Loans	6	286.75	272.03
(e) Other non-current assets	7	160.91	530.70
Total Non-Current Asset		17,736.00	14,942.51
Current Assets			
(a) Inventories	8	15122.72	15,434.36
(b) Financial Assets			
(i) Trade receivables	9	13739.85	10,393.00
(ii) Cash and cash equivalents	10	83.91	90.67
(iii) Bank balances	11	1517.38	1,189.78
(c) Other current assets	12	2315.23	2,808.22
Total Current Assets		32779.09	29,916.03
Total Assets		50515.09	44,858.54
II EQUITY AND LIABILITIES:			
Shareholders Funds			
(a) Equity Share Capital	13	1070.11	1,050.11
(b) Other Equity	14	13608.09	10,307.25
Total Equity		14678.20	11,357.36
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	7170.07	7,043.58
(ii) Other financial liabilities	16	94.79	637.51
(b) Provisions	17	63.80	55.87
(c) Deferred tax liabilities (Net)	18	1141.78	643.38
Total Non-Current Liabilities		8470.45	8,380.34
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	18654.31	17,213.63
(ii) Trade payables	20	5912.31	4,544.47
(iii) Other financial liabilities	21	1477.42	1,308.60
(b) Other current liabilities	22	511.11	1,596.07
(c) Provisions	23	378.12	124.57
(d) Current Tax Liabilities (Net)		433.17	333.50
Total Current Liabilities		27366.44	25,120.84
Total Liabilities		35836.89	33,501.18
Total Equity & Liabilities		50515.09	44,858.54

See the accompanying notes to the standalone financial statements

As per our report of even date

For and on behalf of Board of Directors

For A.N. Garg & Company

 Chartered Accountants
 ICAI Regn No. 004616N

A.N. Garg

 Partner
 Membership No. 083687
 Place: New Delhi
 Date: May 25, 2019

Ajay Kumar Bansal

 Managing Director
 DIN : 01070123

Arvind Bansal

Chief Financial Officer

Anish Bansal

 Director
 DIN : 00670250

Arun Kumar

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the Year ended 31st March 2019

(Rs in Lacs)

Particulars	Note No	For the Year ended 31/3/2019	For the Year ended 31/3/2018
I Revenue from operations	24	136,042.24	104,024.68
II Other income	25	138.09	131.01
III Total income (I + II)		136,180.33	104,155.69
IV Expenses:			
Cost of materials consumed	26	120,028.28	89,029.75
Purchases of stock-in-trade		2,881.04	3,881.66
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	729.34	(1,577.04)
Employee benefits expense	27	1,367.95	1,211.93
Finance costs	28	2,985.39	2,742.83
Depreciation and Amortization Expenses	29	530.97	400.07
Excise Duty Expense			2,455.31
Other expenses	30	3,558.67	3,008.69
Total expenses		132,081.64	101,153.20
V Profit before exceptional items and tax (III-IV)		4,098.69	3,002.49
VI Exceptional items (refer note 46)		-	-
VII Profit/(loss) before tax (V-VI)		4,098.69	3,002.49
VIII Tax expense/(benefit):			
Current tax	18	874.73	632.56
Deferred tax	18	583.00	471.12
Previous Year Adjustments			1.17
MAT Credit Entitlement		(94.00)	(203.18)
		1,363.72	901.67
IX Profit/(loss) for the years (VII-VIII)		2,734.96	2,100.82
X Other comprehensive income			
A			
i) Items that will not be reclassified to profit or loss viz Remeasurement of the Defined Benefits Plan to Employees		27.43	-
ii) Income tax relating to items that will not be reclassified to profit or loss		9.41	-
Total (A)		18.02	2,100.82
B			
i) Items that will be reclassified to profit or loss			
(a) The effective portion of gains and loss on hedging instruments		-	-
(b) Changes in Foreign Currency Monetary Item translation difference		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total (B)		-	-
Total Other comprehensive income / (loss) (A+B)		18.02	-
XI Total comprehensive income / (loss) (IX + X)		2,752.98	2,100.82
XII Earnings per equity share of Re. 10 each (refer note 34)			
Basic		25.79	20.39
Diluted		24.42	18.59

See the accompanying notes to the standalone financial statements

As per our report of even date

For and on behalf of Board of Directors

For A.N. Garg & CompanyChartered Accountants
ICAI Regn No. 004616N**A.N. Garg**Partner
Membership No. 083687**Ajay Kumar Bansal**Managing Director
DIN : 01070123**Arvind Bansal**

Chief Financial Officer

Anish BansalDirector
DIN : 00670250**Arun Kumar**

Company Secretary

Place: New Delhi
Date: May 25, 2019

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lacs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
A CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit Before Tax and Extra Ordinary Activity	4098.48	3002.49
Add/(Less) Adjustments for:		
Depreciation	530.97	400.07
Interest Received	(138.09)	(131.01)
Finance Costs	2985.39	2742.83
Other Provisions	(34.60)	(458.35)
	3343.67	2553.54
Operating Profit Before Working Capital Changes	7442.15	5556.03
Adjustments for:-		
Increase / (Decrease) Trade Paybles	1366.48	(1208.31)
Increase / (Decrease) Current Liabilities	24.64	(677.42)
Increase / (Decrease) Other Current Liabilities	(512.57)	192.85
(Increase) / Decrease Loan & Advances	0.00	(42.76)
(Increase) / Decrease Trade Receivables	(3346.85)	(806.81)
(Increase) / Decrease Inventories	311.64	(2996.98)
(Increase) / Decrease other Current Assets	205.62	
	(1951.05)	(5539.43)
Cash Generated from Operations	5491.10	16.60
Direct Taxes Paid	591.00	596.18
A. NET CASH FLOW FROM THE OPERATING ACTIVITIES	4900.10	(579.58)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Addition to /Advance for Capital Assets	(502.79)	(5649.14)
Bank deposits considered other than Cash and cash equivalents	(327.60)	350.49
Increase/ (Decrease) in Non Current Financial assests	(280.03)	0.00
Purchase of Fixed Assest	(2802.04)	0.00
Purchase of Intangible Assest	(4.72)	0.00
Other Loans and Deposits	(113.55)	0.00
Interest Received	3.72	0.00
Net Cash Flow From Investing Activities	(4027.01)	(5298.65)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds on conversion of Share Warrants	600.00	1600.00
Dividend Paid (Including taxes)	(32.17)	(31.14)
Increase/ (Decrease) in Long Term Borrowings	216.40	2147.50
Increase/ (Decrease) in Short Term Borrowings	1440.70	5236.98
Increase/ (Decrease) in Other Long Term Liabilities	(253.76)	(384.13)
(Increase) / Decrease Other Non-Current assets	0.00	(90.30)
Interest Received	134.37	131.01
Finance Costs	(894.85)	(2742.83)
Interst paid	(2090.54)	
Net Cash Flow Used In Financing Activities	(879.85)	5867.08
Net Increase/ (Decrease) Changes in Cash & Cash Equivalent (A+B+C)	(6.76)	(11.15)
Cash and Cash Equivalent at the Beginning of the Year	90.67	101.82
Cash and Cash Equivalent at the Closing of the Year	83.91	90.67

See the accompanying notes to the standalone financial statements

As per our report of even date

For and on behalf of Board of Directors

For A.N. Garg & Company

 Chartered Accountants
 ICAI Regn No. 004616N

A.N. Garg

 Partner
 Membership No. 083687

Ajay Kumar Bansal

 Managing Director
 DIN : 01070123

Arvind Bansal

Chief Financial Officer

Anish Bansal

 Director
 DIN : 00670250

Arun Kumar

Company Secretary

 Place: New Delhi
 Date: May 25, 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Background

Hi-Tech Pipes Limited is a public company limited by shares, incorporated and domiciled in India. Its registered office is located at 505, Pearl Towers, New Delhi – 110005, India and principal place of business is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India.

The Company is in the business of manufacturing of ERW Steel Round & Section Pipes, cold Rolled Strips & Engineering products and distribution of the same across India

Note 1 Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

i) Compliance with Ind AS :

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These Financial Statements are prepared under applicable Ind AS - Rules and Provisions of Companies Act, 2013.

ii) Accrual basis of accounting

iii) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis except for certain financial assets and liabilities that are measured at fair value

b) Foreign currency transactions:

i) Functional and presentation currency:

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (₹), which is also the functional and presentation currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions

and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income | (expense). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

c) Revenue recognition:

i) Timing of recognition :

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company.

This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

ii) Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, GST (Goods & Service Tax) etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer, irrespective of whether the goods are sold or not.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

d) Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

e) Government grants:

- i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.
- iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

f) Leases:

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually. Lease rental attributable to the operating lease are charged to Statement of Profit and Loss as lease income whereas lease income attributable to finance lease is recognised as finance lease receivable and recognised on the basis of effective interest rate.

g) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value: Depreciation is provided on the Straight Line Method to allocate the cost of assets, net of their residual values, over their estimated useful lives :

Asset category	Estimated useful life
Factory Buildings	30 years
Plant and equipment#	15 to 30 years
Vehicles	8 to 10 years
Office equipment and furniture	5 years
Furniture & Fittings	10 years
Computers	3 to 6 years

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

h) Intangible assets:

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs

comprise of license fees and cost of system integration services. Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent. Computer software cost is amortised over a period of 5 years using Straight Line Method.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured under IGAAP as the deemed cost of intangible assets.

i) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs.

j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

k) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

l) Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

m) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12

months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

n) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost is arrived at on moving weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

o) Investments and other financial assets:

Classification:

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- ii) Those measured at amortised cost

The classification depends the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) Fair value (either through Other Comprehensive

Income (FVOCI) or through profit or loss (FVPL); or,

- ii) Amortised cost

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of

impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognised only when the Company

- i) has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities:

i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

iii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iv) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

v) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is

recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Employee benefits:

Short-term employee benefits:

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

t) Research and Development expenditure:

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

u) Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

v) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

- i) Estimation of useful life of tangible assets
- ii) Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Note 27.18 Regrouped | Recast | Reclassified

Figures of the earlier year have been reclassified to conform to Ind AS presentation requirements.

Note 27.19 Rounding off

Figures less than ₹50,000 have been shown at actual in brackets.

Note 27.22 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on May 25, 2018.

2 Property, Plant and Equipment

(Rs in lakhs)

Particulars	Land	Office Building	Factory Shed & Building	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicle	Tangibles Total
Gross Carrying Amount as on 1 April 2017	1173.21	896.18	1271.60	5149.20	46.67	17.36	84.95	138.06	8777.24
Addition	0.00	1998.08	142.69	2399.36	4.87	1.75	14.84	113.50	4675.09
Disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Carrying Amount as on 1 April 2018	1173.21	2894.26	1414.29	7548.56	51.54	19.11	99.79	251.56	13452.32
Addition	469.65	60.14	136.86	4031.63	15.20	6.86	102.77	246.75	5069.86
Disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Carrying Amount as on 1 April 2019	1642.86	2954.41	1551.15	11580.19	66.74	25.96	202.56	498.31	18522.19
Accumulated depreciation/ amortisation and impairment									
Balance as at March 31, 2017	0.00	40.80	96.79	461.65	15.15	6.05	27.49	39.90	687.82
Depreciation for the year	0.00	31.69	43.27	257.63	11.59	7.37	13.96	30.42	395.91
Balance as at March 31, 2018	0.00	72.48	140.06	719.28	26.74	13.41	41.45	70.32	1083.73
Depreciation for the year	0.00	60.44	48.03	362.08	3.59	4.00	12.32	37.01	527.48
Balance as at March 31, 2019	0.00	132.93	188.09	1081.36	30.33	17.42	53.76	107.33	1611.22
Carrying Value									
As at 31.03.2019	1642.86	2821.48	1363.07	10498.83	36.41	8.54	148.79	390.98	16910.97
As at 31.03.2018	1173.21	2821.78	1274.24	6829.28	24.80	5.69	58.34	181.24	12368.60
Useful life of Assets (Years)	NA	60	30	10-30	8-15	3-6	10.00	10.00	0.00
Method of Depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	0.00

Note:

- Property, Plant & equipment have been pledged as security against certain long term borrowings of the company as at 31 March 2019 (Refer Note 15)
- The Company has Capitalised Rs 160.06 Lakh as borrowing cost during the the Financial Year 2018-19 (Previous year : Rs. 102.95)

3. Capital Work-in-Progress

(Rs in lakhs)

Particulars	Total
As at 31.03.2018	1,740.43
As at 31.03.2019	369.09

4. Intangibles

(Rs in lakhs)

Intangibles Assets	Computer Software	Intangibles Total
Gross Carrying amount as at 31.03.2017	16.16	16.16
Additions	0.96	0.96
Disposals	-	-
Gross Carrying amount as at 31.03.2018	17.12	17.12
Additions	4.72	4.72
Disposals	-	-
Gross Carrying amount as at 31.03.2019	21.84	21.84
Accumulated Amortisation and impairment		
Balance as at 31.03.2017	5.92	5.92
Amortisation for the year	4.16	4.16
Amortisation on Disposals	-	-
Balance as at 31.03.2018	10.09	10.09
Amortisation for the year	3.50	3.50

Intangibles Assets	Computer Software	Intangibles Total
Amortisation on Disposals	-	-
Balance as at 31.03.2019	13.59	13.59
Net Carrying Value		
As at 31.03.2019	8.25	8.25
As at 31.03.2018	7.03	7.03
Useful life of Assets (Years)	3-5	-
Method of Depreciation	SLM	

5. Investments (Non -Current)

(Rs in lakhs)

Particulars	Paid Up Value	As at 31.03.2019	As at 31.03.2018
		(Rs in lakhs)	(Rs in lakhs)
A. Investment in equity instruments			
Unquoted			
Investment In SVC Co Op Bank Ltd	NA	0.03	0.03
Total		0.03	0.03
Unquoted			
Aggregate carryig value	NA	0.03	0.03
Investment at Cost	NA	0.03	0.03

6. Loans -Non Current

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Security deposit	286.74	272.03
Total	286.75	272.03

7. Other Assets - Non Current

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured & Considered Good		
Capital Advances	160.91	530.70
Total	160.91	530.70

8. Inventories

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Inventories (at lower of cost and net realisable value)		
Raw materials	8,314.00	7,642.77
Semi-finished / finished goods	6,185.00	6,886.54
Production consumables and stores and spares	421.94	703.27
Immovable Property	201.78	201.78
Total	15,122.72	15,434.36

Notes:

Inventories have been pledged as security against certain bank borrowings of the company (Refer note 19)

9. Trade Receivables

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured, considered good	13,739.85	10,393.00
Less: Allowance for doubtful debts	-	-
Total	13,739.85	10,393.00

Notes

- The credit period on sale of goods ranges from 30 to 60 days without securities. No interest is charged on trade receivables.
- Before accepting any new customer, the company evaluates the financial position, past performance, business opportunities, credit references etc. of the new customers and define credit limit and credit period. The credit limit and the credit period are reviewed at periodical intervals.
- The company does not generally hold any collateral or other credit enhancements over the balances.
- Trade receivables have been given as collateral toward borrowings (refer security note below Note 19)

10. Cash and cash equivalents

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Balance with banks:		
In current accounts	17.53	37.52
Cash on hand	66.38	53.15
Total	83.91	90.67

11. Bank Balance other than cash and cash equivalents

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Earmarked balances		
In current accounts	0.55	0.54
In margin money (with maturity more than 3 months but less than 12 months) at inception	1,516.83	1,189.25
	-	
Total	1,517.38	1,189.78

Notes

11.1 Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees & LC issued by Banks

12. Other Current Assets (Unsecured)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Advances to suppliers & others	1,736.88	1,636.85
Balance with Statutory/ Government authorities	537.23	1,122.92
Prepayment & others	41.11	48.45
Total	2,315.22	2,808.22

13. Equity share capital

Particulars	As at 01.04.2019	As at 31.03.2018	As at 01.04.2019	As at 31.03.2018
	Number of Share		Amount (Rs In lakhs)	
Share Capital				
(a) Authorised :				
Equity shares of the par value of Rs.10/- each	140.00	140.00	1,400.00	1,400.00
(b) Issued and subscribed: (A)				
Outstanding at the beginning of the year	105.01	103.01	1,050.10	1,030.10
(c) Fresh Issue during the year through preferential allotment		2.00	-	20.00
(d) Conversion of Share Warrants into Equity share.	2.00		20.00	
Total (A+B+C)	107.01	105.01	1,070.10	1,050.10

a) The Movement of Share Capital in Subscribed and Paid up Share Capital is set out as below

(in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Number of Share		Amount (Rs In lakhs)	
Equity shares of Rs.10/- each fully paid up as on 1 April	105.011	103.011	1,050.11	1,030.11
Add: Fresh Equity Shares Issued on preferential basis during the year**		2.000		20.00
Add: Share Warrant converted into Equity Shares	2.000		20.00	
Equity shares - closing as on 31 March	107.011	105.011	1,070.11	1,050.11

b) **Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares and carry a right of dividend. Each shareholder is eligible for one vote per share held & in the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% share in the company are set out below:

(Rs in lakhs)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of Share	% of Share	Number of Share	% of Share
Ajay Kumar Bansal	1,520,677	14.21%	1,491,900	14.21%
Parveen Bansal (Mrs.)	1,019,200	9.52%	1,019,000	9.70%
Vipul Bansal	827,600	7.73%	817,600	7.79%
Anish Bansal	767,600	7.17%	737,600	7.02%
AKS Buildcon Pvt. Ltd.	552,000	5.16%	552,000	5.26%
Ajay Kumar & Sons (HUF)	520,800	4.87%	520,800	4.96%
Hi- Tech Agrovision Pvt. Ltd.	516,000	4.82%	516,000	4.91%
Shweta Bansal (Mrs.)	551,200	5.15%	541,200	5.15%

Aggregate number & class of shares allotted by the company as fully paid up pursuant to contracts without receipt of cash : Nil

Aggregate number & class of shares bought back by the company : Nil

Aggregate number & class of shares allotted by the company as fully paid up by way of bonus shares

Particulars	2015-16	2013-14	Total
Fully paid up Equity shares by way of Bonus Shares (Face Value of Rs.10/- each)	3785550	2340000	6,125,550

d) Dividends

The Board of Directors, in its meeting on May 25, 2019 has recommended a final dividend of Rs. 0.25 per equity share for the financial year ended March 31, 2019. This proposal is subject to the approval of Shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately Rs. 32.20 Lakhs including Dividend Distribution Tax. This figure may change to the extent of conversion of fully convertible warrants into Equity shares on or before book closure date for the purpose of dividend.

14. Other Equity

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
General reserve	4,981.00	3,045.60
Share Warrants	600.00	800.00
Retained earnings	4,777.82	3,995.28
Other reserves:	-	-
Securities premium account	3,249.27	2,466.37
Total	13,608.09	10,307.25

Securities premium account

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

Share Warrant (Fully Convertible in Equity Shares)

The company had issued and allotted 8,00,000 fully convertible warrants to promoter, promoter group and non-promoters on preferential basis @ Rs. 400/- each on subscription amount of Rs.100/- each in FY 2017-18, (being 25% application money), which are convertible into equal number of equity shares, carries pari - passu rank with existing equity shares, The holder of convertible warrants shall convert his holding of convertible warrants within 18 month from the date of allotment of such convertible warrants and during the current Financial Year 2,00,000 warrants has been converted into equal number of Equity shares.

15. Borrowings (Non Current)

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Term Loans:		
From Bank	5,123.75	4,414.89
From Others	475.96	504.35
Vehicle Loans	196.45	83.27
	5,796.16	5,002.51
Unsecured		
From Directors	1,313.07	1,891.26
Intercompany Borrowings:	-	-
Loan from Related Parties	72.63	72.38
Loan from Body Corporate	-	94.96
	1,385.71	2,058.60
Unamortised upfront fee on Secured Borrowing ('C')	-11.79	-17.53
Total (A) + (B) + ('C')	7,170.07	7,043.58

A. Term Loans (Secured)

As at 31 March 2019		As at 31 March 2018		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
Rupee Term loan from Bank (Secured)		Rupee Term loan from Bank (Secured)			
-	43.57	-	43.57	Repayable in monthly instalments of Rs. 7.02 lakhs last instalment due in Oct 2018	Exclusive Charge on Plant and Machinery at Plot No. 10 and 16 Sikandrabad, second charge on entire current assets (both present and future) at Sikandrabd, U.P. and personnel guarantee of promoter directors
29.37	11.19	40.76	10.00	Repayable in equated monthly instalments along with interest of Rs. 1.21 lakhs last instalment due in June 2022	Equitable mortgage on Property situated at A-811, Tower Mondeal Heinghts, Ahemedabad, Gujrat.
600.00	200.00	750.00	250.00	Repayable in Quarterly instalments of Rs. 50 lakhs last instalment due in March 2023	Exclusive Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
-	-	667.80	100.00	Repayble in Monthly Instalments of Rs. 8.33 lakhs (including interest) Last Instalment due on March 2027	Exclusive Charge on Immovable Property commercial land and building situated 130, Sector-44, Gurgaon, Haryana and personel guarantee of promoters directors
-	-	366.95	50.00	Repayble in Monthly Instalments of Rs. 4.15 lakhs and Last Instalment due on October 2026	
353.46	25.53	-	-	Repayble in Monthly Instalments of Rs. 4.21 lakhs and Last Instalment due on September 2026	
650.00	25.00	-	-	Repayble in Monthly Instalments of Rs. 8.33 lakhs (including interest) Last Instalment due on Dec. 25	
-	59.68	81.13	54.07	Repayble in equated Monthly Instalments and Last Instalment due on Feb 2020*	Equitable mortgage on Property situated at 3/4 Jaypee Greens, Noida, Gautam Budha nagar, Uttar Pradesh
-	1.61	2.10	1.63		
53.78	10.55	67.97	7.27		
560.00	136.00	720.00	136.00	Repayable in unequal quarterly instalments of Rs. 32 lakhs to Rs.56 lakhs commencing from August 2016 and last instalment due in November 2022.	Exclusive Charge on Fixed Assets of Sanand, Gujarat Unit, second charge on entire current assets (both present and future) at Sanand, Gujarat Unit.
105.00	60.00	165.00	60.00	Repayable in equal quartely installments of Rs.15 lakhs commencing from February 2017 and last installment due in November 2021.	
70.19	20.05	82.72	27.57	Repayable in equal quartely installments of Rs.5.01 lakhs commencing from June 2018 and last installment due in June 2023.	

As at 31 March 2019		As at 31 March 2018		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
85.01	24.29	100.19	33.40	Repayable in equal quartely installments of Rs.6.07 lakhs commencing from June 2018 and last installment due in June 2023.	
120.82	34.52	142.39	47.46	Repayable in equal quartely installments of Rs.8.62 lakhs commencing from June 2018 and last installment due in June 2023.	
36.66	10.48	43.21	14.40	Repayable in equal quartely installments of Rs.2.61 lakhs commencing from June 2018 and last installment due in June 2023.	Equitable Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
181.36	42.67				
195.53	46.01				
627.61	48.62				Equitable Mortgage on respective Vechicle.
106.64	26.32				
37.46	14.61	59.01	6.56	All loans have 36 monthly installments commencing from various dates and ending on various dates.	
3.11	5.89	12.93	1.44		
-	1.83	4.79	1.26		
-	0.54	6.54	1.24		
CLOSED		-	0.86		
CLOSED		-	0.99		
312.23	80.81	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Jan 23	Equatable Mortgage of Land and Building /Plant located at Plot Survey no 41B, 1 & 2 gollapuram Village AnantpurDistrict Andhra Pradesh.
475.90	128.77	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Dec 22	
155.57	46.66	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Dec 22	
16.96	5.73	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Sep 22	Hypothecation of respective vehicle
16.96	5.73	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Sep 22	Hypothecation of respective vehicle
16.96	5.73	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Sep 22	Hypothecation of respective vehicle
16.96	5.73	-	-	Repayable in monthly instalments alongwith Interest & last instalment due in Sep 22	Hypothecation of respective vehicle
154.49	41.62	197.62	42.24	Repayable in monthly instalments alongwith Interest & last instalment due in Dec 22	Equatable Mortgage of Land and Building located at Plot Survey no 41B, 1 & 2 gollapuram Village AnantpurDistrict Andhra Pradesh.

As at 31 March 2019		As at 31 March 2018		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
469.79	124.88	987.05	207.10	Repayable in monthly instalments alongwith Interest & last instalment due in Dec 22	Hypothecation of Plant & Machinery and other Movable assests (Present & future) located at plot No 41B, 1 & 2 gollapuram Village AnantpurDistrict Andhra Pradesh.
5,451.80	1,251.06	4,498.17	1,097.06		
Rupees Loan From Financial Institution(Secured)					
CLOSED	CLOSED	24.39	5.14	Repayble in Monthly Instalments of Rs. 0.81 lakhs (including interest) Last Instalment due on Nov 2021	Equitable mortgage on Property situated at 1F - CS - 42 & 43 First Floor, Ansal Plaza, Vaishali, Ghaziabad, Uttar Pradesh.
250.41	97.25	356.72	89.18	Repayable in equated monthly instalments along with interest of Rs. 11.52 lakhs last instalment due in Feb 2022	Equitable Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
93.95	34.40	123.24	30.81	Repayable in equated monthly instalments along with interest of Rs. 3.92 lakhs last instalment due in Apr 2022	Equitable Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
344.36	131.65	504.35	125.13		
Total Term Loan -Secured					
5,796.16	1,382.71	5,002.52	1,222.19		

16. Other Financial Liabilities Non-Current

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Security Deposits from Agents/Dealers		
Strategic Dealers	-	588.61
Other Deposits	94.79	48.90
Total	94.79	637.51

17. Provisions (Non-Current)

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Provision for Leave encashment	9.95	1.95
Provision for Gratuity (refer note-33)	53.85	53.93
Total	63.80	55.87

18. Income Taxes

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation

carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2018-19 is 21.34%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

(a) Income tax expense / (benefits)

Particulars	(Rs in lakhs)	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Current tax :		
Current tax (MAT)	874.73	632.56
Tax refund / reversal pertaining to earlier years	-	1.17
	874.73	633.73
Deferred tax :		
Deferred tax	583.00	471.12
MAT credit entitlement	-94.00	-203.18
(Restoration)/reversal of MAT credit entitlement	-	-
Tax provision/(reversal) for earlier years	-	-
Total deferred tax	489.00	267.95
Total Tax expense / (benefit)	1,363.72	901.67

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	(Rs in lakhs)	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Profit/loss before tax	4,098.69	3,002.49
Enacted tax rate in India (Weighted Average)	32.11%	31.85%
Expected income tax expense / (benefit) at statutory tax rate	1,316.23	956.24
Depreciation under Income Tax Act	-547.50	-602.03
Loss Carried forward from PY	-	-39.76
Expenses not deductible in determining taxable profits	-	144.09
Deductions allowed under tax Laws	-	-46.00
Others	106.00	16.84
Tax expense for the Current year	874.72	429.38
MAT on PBT @ 21.34%	874.73	632.56
Tax expense pertaining to current year	874.73	632.56
Effective income tax rate	21.34%	21.07%

Deferred tax assets / (liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 01.04.2018
Deferred tax liabilities (net)	(1,473.69)	(880.29)
Less: MAT Credit Entitlement	330.91	236.91
Total	1141.78	(643.38)

Deferred tax balance in relation to	As at 31.03.2018	Recognised / reversed through P/L	As at 31.03.2019
Property, plant and equipment	(901.48)	(583.00)	(1,484.48)
Provisions for employee benefit / loans, advances and guarantees	21.19	10.40	10.79
Total	(880.29)	(593.40)	(1,473.69)

Deferred tax balance in relation to	As at 31.03.2018	Recognised / reversed through P/L	As at 31.03.2019
Property, plant and equipment	(406.07)	(495.41)	(901.48)
Provisions for employee benefit / loans, advances and guarantees	0.44	20.75	21.19
Total	(405.63)		(880.29)

Movement in MAT credit entitlement:

Particulars	(Rs in lakhs)	
	For the year ended 31.03.2019	For the year ended 31.03.2018
Balance at the beginning of year	236.91	30.21
Add: MAT credit entitlement availed during the year	94.00	203.18
Add : Misc Adj	-	3.53
Less: MAT Credit availed during the year	-	-
Balance at the end of year	330.91	236.91

The Company expects to utilize the MAT credit within a period of 15 years

19. Borrowings (current)

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Working capital loans from banks (secured)		
From Banks	18,654.31	17,213.63
Total	18,654.31	17,213.63

Working capital loan are secured by :-

Working capital facilities availed are secured by first pari passu charge on entire current assets of the company and second pari passu on moveable fixed assets of the company. These credit facilities are further secured by personal guarantee of promoter-directors of the company.

20. Trade Payables

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Raw Material	5,157.36	4,059.11
Other than Raw Material	754.95	485.37
Total	5,912.30	4,544.48

Credit Terms of these Trade Payable varies from 0-90 days.

21. Other financial liabilities

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Current maturities of long-term borrowing	1,382.70	1,222.18
Interest accrued but not due on borrowings	94.72	86.42
Total	1,477.42	1,308.60

22. Other Current liabilities

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Advances from customers	92.12	229.15
Statutory liabilities	15.28	44.45
Unclaimed dividends	0.55	0.54
Creditors for fixed assets	403.16	1,058.18
Other Outstanding Liabilities	-	263.75
Total	511.11	1,596.07

23. Provisions (Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Leave encashment	2.04	0.70
Provision for Corporate Social Responsibility	-	30.99
Provision for employee benefits	17.81	18.35
Bonus payable	24.83	23.80
Other Provisions	329.18	35.78
Provision for Gratuity	4.25	14.95
Total	378.12	124.57

24. Revenue from operations

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Sale of products:		
Domestic turnover	135,746.14	103,786.98
Export turnover/SEZ	119.95	84.36
A	135,866.09	103,871.34
Other operating revenues		
Rent	167.93	153.34
Job work	8.23	-
B	176.15	153.34
Total (A+B)	136,042.24	104,024.68

25. Other Income

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Income earned on financial assets		
Bank deposits	130.72	125.57
Other Interest income	5.92	5.44
Other Income	1.45	-
Total	138.09	131.01

26 Changes in inventories of finished goods, work-in-progress and stock in trade

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Stock :		
Semi finished /finished goods	6,119.17	5,258.76
Rejection & Scraps	521.19	444.60
Work-in-progress	726.98	551.83
A	7,367.34	6,255.19
Closing stock :		
Semi finished /finished goods	6,185.00	6,119.17
Rejection & Scraps	453.00	521.18
Work-in-progress	-	726.98
B	6,638.00	7,367.33
C (A-B)	729.34	(1,112.14)
Excise duty on stock of finished goods (net)	-	(464.91)
Total (C+D)	729.34	(1,577.04)

26.1 Cost of Materials Consumed

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Indigenous Raw Material & Stores	120,028.28	89,029.75
Total	120,028.28	89,029.75

27. Employee benefits expense

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Salaries and wages	1,216.08	1,129.95
Contribution to provident and other funds (refer note 33)	79.67	43.99
Provisions for Employees Benefits	29.00	6.66
Staff welfare expenses	43.20	31.33
Total	1,367.95	1,211.93

28. Finance costs

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Interest expenses on borrowings	2,746.56	2,411.28
Other borrowing costs	238.83	331.55
Total	2,985.39	2,742.83

29. Depreciation and amortization

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Tangible assets	527.47	395.91
Intangible assets	3.50	4.16
Total	530.97	400.07

30. Other expenses

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Power and fuel	1,756.05	1,493.80
Rent	29.50	33.06
Repairs and maintenance		
Plant and equipment	30.30	37.60

Particulars	As at 31.03.2019	As at 31.03.2018
Buildings	21.02	12.12
Others	97.71	33.38
Sales Promotion	66.84	106.82
Fee & Subscription	18.43	27.05
Insurance	73.79	23.14
Carriage and freight	824.45	718.51
Job work and processing charges	67.07	19.94
Commission on sales	33.11	40.80
Travelling and Conveyance	200.61	149.06
Legal or Professional Consultation Charges	95.04	65.11
Vehicle Running and Maintenance	58.91	39.48
Security Services	50.78	50.73
Miscellaneous expenses	135.07	158.09
Total	3,558.67	3,008.69

Provision for CSR for FY 2018-19 was Rs. 25.77 Lacs (previous year Rs.14.57 Lacs) is included in Misc. Expenses

Note :

Auditors remuneration (excluding service tax | GST) included in miscellaneous expenses :

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
As Audit fees(including limited review)	19.50	12.30
For Tax audit fees	2.00	2.00
Total	21.50	14.30

31. Earnings per share (EPS)

(Rs in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
Profit/(Loss) attributable to Equity shareholders (₹ in crores) (A)	2,752.98	2,100.82
Weighted average number of Equity shares for basic EPS (B)	106.73	103.04
Effect of Dilution :		
Equity share outstanding as on March 31	107.01	105.01
Weighted average number of Treasury shares held through Convertible Warrant	6.00	8.00
Weighted average number of Equity shares adjusted for the effect of dilution (C)	112.74	113.01
Basic EPS (Amount in ₹) (A/B)	25.79	20.39
Diluted EPS (Amount in ₹) (A/C)	24.42	18.59
Face value per Share	Rs.10/-	Rs.10/-

32. Segment reporting

In accordance with the provisions of Ind AS 108 -Operating Segment, the operations of the company falls under manufacturing of Steel Tubes & Pipes and which is also considered to be the reportable segment by management.

33. Employee benefits

- a) **Defined Contribution Plans, Contribution to Defined Contribution Plans, recognized as an Expenses for the year is as under:**

Particulars	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Employers' Contribution to Provident Fund (includes pension Fund)	24,82,549	27,20,077
Employer's Contribution to Employee State Insurance	19,03,716	23,39,438

- b) **Defined Benefit Plans**

The Company has funded the Gratuity Liability ascertained on actuarial basis, wherein every employee who has completed five years or more of service is entitled to gratuity on retirement or resignation or death calculated at 15 days salary for each completed year of service, subject to maximum of Rs.20 Lakhs per employee. The vesting period for Gratuity as payable

under The Payment of Gratuity Act is 5 year.

The Plan in India is actually expose the Company to actuarial risk such as: Investment Risk, Interest Rate Risk, Longevity Risk and Salary Risk.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields, if the return on plan asset is below this rate, it will create a plan deficit.

Interest Risk: A decrease in bond interest rate will increase the plan Liability; however this will be partially offset by an increase in the return on the plan's debt investments.

Longevity Risk: The present value of the defined benefit liability is calculated by the reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such the increase in the salary of plant participant will increase the plan liability.

There are no other post retirement benefit provided to employees

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2018 by Mr. Saket Singhal (Fellow- Institute of Actuaries of India). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Summary of Financial Results

Executive Summary

Amount Recognized in Statement of Financial Position at Period – End	31/03/2018	31/03/2019
Present value of Defined Benefit Obligation	69,21,488	66,88,424
Fair value of Plan Assets	--	--
	63,21,488	66,88,424
Unrecognized Asset due to the Asset Ceiling	--	--
Net Defined Benefit (Assets) / Liability Recognized in Statement of Financial Position	69,21,488	66,88,424

1.	Change in Defined Benefit Obligation	31/03/2018	31/03/2019
a)	Defined Benefit obligation, beginning of period	64,47,960	69,21,488
b)	Interest Cost on DBO	5,06,811	5,38,260
c)	Net Current Service Cost	17,38,227	15,21,001
d)	Actual Plan Participants' Contributions	--	--
e)	Benefits Paid	(4,01,404)	1,52,074
f)	Past Service Cost	--	--
g)	Changes in Foreign Currency Exchange Rates	--	--
h)	Acquisition /Business Combination / Divestiture	--	--
i)	Losses / (Gains) on Curtailments / Settlements	--	--
j)	Actuarial (Gain)/Loss on obligation	(13,70,114)	(27,43,251)
k)	Defined Benefit Obligation, End of Period	69,21,480	60,88,424

2.	Change in Fair Value of Plan assets	31/03/2018	31/03/2019
a)	Fair value of plan assets at the beginning	--	--
b)	Expected return on plan assets	--	--
c)	Employer contribution	--	--
d)	Actual Plan Participants' Contributions	--	--
e)	Actual Taxes Paid	--	--
f)	Actual Administration Expenses Paid	--	--
g)	Changes in Foreign Currency Exchange Rates	--	--
h)	Benefits paid	--	--
i)	Acquisition /Business Combination / Divestiture	--	--
j)	Assets Extinguished on Curtailments / Settlements	--	--
k)	Actuarial (Gain)/Loss on Asset	--	--
l)	Fair value of plan assets at the end.	--	--

3.	Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End	31/03/2018	31/03/2019
a)	Service Cost	17,38,227	15,21,001
b)	Net Interest Cost	5,06,811	5,41,260
c)	Past Service Cost	--	--
d)	Administration Expenses	--	--
e)	(Gain)/Loss due to settlements / Curtailments / Terminations / Divestitures	--	--
f)	Total Defined Benefit Cost/(Income) included in Profit & Loss	20,45,038	22,62,261

4.	Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at Period - End	31/03/2018	31/03/2019
a)	Amount recognized in OCI, (Gain) / Loss Beginning of Period	(17,38,351)	(31,08,465)
b)	Remeasurements Due to :		
	1.Effect of Change in Financial Assumptions	(2,83,990)	28037
	2.Effect of Change in Demographic Assumptions	--	--
	3.Effect of Experience Adjustments	(10,86,124)	(27,71,288)
	4.(Gain)/Loss on Curtailments/Settlements	--	--
	5.Return on Plan Assets (Excluding Interest)	--	--
	6.Changes in Asset Ceiling	--	--
c)	Total Remeasurements Recognised in OCI (Gain)/Loss	(13,70,114)	(27,43,251)
d)	Amount Recognized in OCI (Gain)/Loss, End of Period	(31,08,465)	(5851716)

5.	Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income	31/03/2018	31/03/2019
a)	Amount recognized in P&L, End of Period	22,45,038	20,62,261
b)	Amount recognized in OCI, End of Period	(13,70,114)	(27,43,251)
c)	Total Net Defined Benefit Cost/(Income) Recognized at Period-End	8,74,924	(6,80,990)

6.	Reconciliation of Balance Sheet Amount	31/03/2018	31/03/2019
a)	Balance Sheet (Asset)/Liability, Beginning of Period	64,47,968	69,21,488
b)	True-up	--	--
c)	Total Charge/(Credit) Recognised in Profit and Loss	22,45,038	20,62,261
d)	Total Remeasurements Recognised in OC (Income)/Loss	(13,70,114)	27,43,251
e)	Acquisition /Business Combination / Divestiture	--	--
f)	Employer Contribution	--	--
g)	Benefits Paid	(4,01,404)	1,52,074
h)	Other Events	--	--
i)	Balance Sheet (Asset)/Liability, End of Period	68,87,644	60,88,424

7.	Actual Return on Plan Assets	31/03/2018	31/03/2019
a)	Expected return on plan assets	--	--
b)	Remeasurement on Plan Assets	--	--
c)	Actual Return on Plan Assets	--	--

8.	Change in the Unrecognised Asset due to the Asset Ceiling During the Period	31/03/2018	31/03/2019
a)	Unrecognised Asset, Beginning of Period	--	--
b)	Interest on Unrecognised Asset Recognised in P&L	--	--
c)	Other changes in Unrecognised Asset due to the Asset Ceiling	--	--
d)	Unrecognized Asset, End of Period	--	--

9.	The Major Categories of Plan Assets	31/03/2018	31/03/2019
a)	Government of India Securities (Central and State)	--	--
b)	High Quality Corporate Bonds (Including Public Sector Bonds)	--	--
c)	Equity Shares of listed companies	--	--
d)	Cash (Including Bank Balance, Special Deposit Scheme)	--	--
e)	Funds Managed by Insurer	--	--
f)	Others	--	--
	Total	--	--

10.	Current / Non Current Bifurcation	31/03/2018	31/03/2019
a)	Current liability	14,94,976	4,24,940
b)	Non-Current liability	53,92,668	56,63,484
c)	Net Liability	68,87,644	60,88,424

11.	Defined Benefit Obligation by Participant Status	31/03/2019
a)	A. Actives	60,88,424
b)	B. Vested Deferreds	--
c)	C. Retirees	--
d)	Total Defined Benefit Obligation	60,88,424

12.	Sensitivity Analysis	31/03/2019
a)	Defined Benefit Obligation – Discount Rate +100 Basis Points	6,42,959
b)	Defined Benefit Obligation – Discount Rate -100 Basis Points	7,74,723
c)	Defined Benefit Obligation – Salary Escalation Rate +100 Basis Points	7,93,492
d)	Defined Benefit Obligation – Salary Escalation Rate -100 Basis Points	(6,67,348)

6. Actuarial Valuation Assumptions Used for Valuation

Financial Assumptions Used to Determine the Profit & Loss Charge	31/03/2018	31/03/2019
a) Discounting Rate	7.86 P.A.	7.82 P.A.
b) Salary Escalation Rate	4.50 P.A.	4.50 P.A.
c) Expected Rate of Return on Assets	0.00 P.A.	0.00 P.A.

Demographic Assumptions Used to Determine the Defined Benefit	31/03/2018	31/03/2019
a) Retirement Age	60 Years	60 Years
b) Mortality Table	IALM [2006 – 2008]	
c) Employee Turnover / Attrition Rate		
18 to 30 Years	2.00 %	2.00 %
30 to 45 Years	2.00 %	2.00 %
Above 45 Years	1.00 %	1.00 %

34. Financial instruments

a) Capital Risk Management

The company's capital requirements are mainly to fund its expansion, working capital and strategic acquisition. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by short term borrowings from bank and the funds from capital market. The company is not subject to any externally imposed capital requirements.

The company regularly consider other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and closely monitors its judicious allocation amongst competing expansion projects and strategic acquisition, to capture market opportunities at minimum risk.

The company monitors its capital gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowing less cash and cash equivalents, bank balances other cash and cash equivalents.

Particulars	Rs. Lacs	
	As at 31.03.2019	As at 31.03.2018
Long term borrowings	7,170	7,044
Current maturities of long term debts	1,383	1,222
short term borrowings	18,654	17,214
Less: Cash and Cash equivalents	84	91
Less: Bank balances other than cash and cash equivalents	1,517	1,190
Net Debt	25,606	24,199
Total Equity	14,678	11,357
Gearing Ratio	1.74	2.13

- i) Equity includes all capital and reserves of the Company that are managed as capital.
- ii) Debt is defined as long and short term borrowings (excluding financial guarantee contracts), as described in Note 15 and 19.

c) Financial risk management

The Company has an Audit & Risk Management Committee established by its Board of Directors for the Risk Management Framework and developing and monitoring the Company's risk management policy. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

D) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity prices and interest rates.

E) Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its products. Market forces generally determine prices for the steel products sold by the company. These prices may be influenced by factors such as supply and demand, production costs (including the cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

The Company purchases the steel and other building products in the open market from third parties in prevailing market price. The Company is therefore subject to fluctuations in the prices of HR Coils, Zinc etc.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures the products based on prevailing market rates as the selling prices of steel products and the prices of inputs moves in the same direction.

F) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are

principally denominated in rupees. The risk is managed by the Company by keeping a close watch on the market variables and time to time negotiations with the Bankers for reduction of rate of interest.

G) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arises principally from the trade receivables and advances

Trade receivables:

Customer credit risk is managed centrally by the company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/ economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored.

E) Liquidity risk management

Liquidity risk refers to the risk of financial distress extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for: term operational needs as well as for capex purposes. The Company generates sufficient cashflow for operations, which together with the available cash and cash equivalents and short term borrowings provide liquidity. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continue monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. A table showing maturity profile of the Financial Assets & Liabilities has been placed on the website of the company.

F) Fair Valuation of Financial Instrument

Carrying value and Fair Value of Financial Instrument as on 31-03-2018, 31-03-2017 and 01-04-2016 is the same & there is no difference therein.

35. Operating Lease

a) As Lessor:

The company has entered into leasing arrangements for renting of a building admesuring approximately 1262 Square meter at the rate of Rs. 870/- per SM monthly For the period of 12 months, which is renewable.

Disclosure in respect of assets (building) given on operating lease:

Particulars	As at 31-03-2019	As at 31-03-2018
Gross carrying amount of assets	37,180,995	37,180,995
Accumulated Depreciation	6,629,580	6,176,171
Depreciation for the year	453,409	453,409

b) As Lessee:

Various building have been taken on operatin lease with lease term for 11 months for office primises, storage space & employee residence which are renewable on a periodic basis by mutual consent of both parties. All the operating lease are cancelable by either parties for any reason by giving a prior notice. There is no restriction imposed by lease aggrements, such as those concerning dividens, additional debts.

Lease payments recognised under rent expenses is as follows:

Particulars	Rs. Lacs	
	For the year ended 31-03-2019	For the year ended 31-03-2018
Minimum lease payment made on operating lease	29,50	33

36. Related party disclosures
A Name of Related Parties and nature of relationship:

1 Associate enterprise over which key management personnels and their relative exercise significant influence	1. Hitech Agro Vision Pvt Ltd
	2. AKS Buildcon Pvt Ltd
	3. Hi-Tech Saw Pvt. Ltd. (Formerly Gujarat Hitech Steel Pvt Ltd)
2 Subsidiaries	1. HTL Metal Pvt. Ltd. (Wholly Owned Subsidiary)
	2. HTL Ispat Pvt Ltd (Wholly Owned Subsidiary)
3 Key Management Personnel (KMP)	1. Sh. Ajay Kumar Bansal as Managing Director
	2. Sh. Anish Bansal as Whole time Director
	3. Sh. Arvind Bansal, Chief Financial Officer
	4. Sh. Arun Kumar, CS & Compliance Officer
4 Relatives of Key Management Personnel	1. Vipul Bansal is as Relatives of Managing Director
	2. Rakesh Bansal is as Relatives of Managing Director

B Transactions with related parties & Outstanding balance

(Rs in Lacs)

Particulars	Value of Transaction	
	FY 2018-19	FY 2017-18
1 Remuneration paid to Key Management Personnel	118.44	103.38
2 Rent Paid to Key Management Personnel	3.60	3.60
3 Interest paid to Key Management Personnel	-	-
4 Outstanding balance of Key Management Personnel/ Relatives Cr Bal	1280.41	1,840.99
5 Salary paid to Relatives of Key Management Personnel	36.00	36.00
6 Interest paid to Related Entities	-	7.32

In respect of above parties there is no provision for doubtful debt as on March 31st, 2018 and no amount is written off or written back during the year in respect of debt/loans and advances due from/to them.

Credit facilities of the company is further is collaterally secured by the personal gaurantee of the Promoter Directors as declared in note 15 & 19

37. Contingent liabilities:

(Rs in Lacs)

Particulars	As at	As at
	31 March 2019	31 March 2018
Disputed UP Valud Added Tax Demand [^]	54.94	54.94
Bank Guarantee relating to Entry Tax [*]	128.98	128.98
Performance Bank Guarantee #	45.47	36.09
Total	220.01	220.01

[^] Refer item (vii) of the Independent Audit Report

^{*} Relating to Entry Tax imposed by UP VAT Authorities during the FY 12 & petition thereof is pending with Hon'ble Allahabad High Court. The company is of the opinion that eventually no liability shall accrue to the company in this matter.

38. Commitments

(Rs in Lacs)

Particulars	As at	As at 31
	31 March 2019	March 2018
Estimated value of capital commitments	-	27.54
Total	-	27.54

38A Additional Information

(Rs in Lacs)

Particulars	As at 31 March 2019	As at 31 March 2018
a CIF Value of Imports	-	-
b Foreign Currency Earnings	-	-
c Foreign Currency Expenditure	92.83	50.28

Additional Information, as required under Schedule III to the Companies Act, 2013

Notes to the Consolidated Financial Statements for the year ended on 31st March 2018 (Contnd.,)

Name of the entity	2018-19			
	Net Assets, i.e., total assets minus total liabilities		Share in Profit	
	As % of consolidated Net assets	Amount in Lakh	As % of consolidated Profit	Amount in Lakh
Parent:				
Hi-tech Pipes Ltd.	88.15%	12,939.65	66.49%	1,835.41
Subsidiary:				
HTL Metal Pvt. Ltd.	11.86%	1,741.42	33.51%	917.58
HTL Ispat Pvt. Ltd.	0.01	(2.87)	-	-
Total	100.00%	14,678.20	100.00%	2,752.98

Details of Subsidiaries

Details of Group's Subsidiaries at the end of reporting period are as follows:

Name of Subsidiaries	Place of Incorporation	Proportion of Ownership		Principal Activity
		31.03.2019	31.03.2018	
Direct Subsidiary				
HTL Metal Pvt. Ltd.	India	100%	100%	Manufacturer of Steel Pipes
HTL Ispat Pvt. Ltd.	India	100%	-	-

As per our report of even date

For A.N. Garg & Company

Chartered Accountants
ICAI Regn No. 004616N

A.N. Garg

Partner
Membership No. 083687

Place: New Delhi

Date: May 25, 2019

For and on behalf of Board of Directors

Ajay Kumar Bansal

Managing Director
DIN : 01070123

Arvind Bansal

Chief Financial Officer

Anish Bansal

Director
DIN : 00670250

Arun Kumar

Company Secretary

**STANDALONE
FINANCIAL
STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To The Members of HI-TECH PIPES Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Standalone Ind AS financial statements of Hi-Tech Pipes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 then ended and notes to the Standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information hereinafter referred to as "Standalone Ind AS Financial Statements"). In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

the matter described below to be the key audit matter to be communicated in our report:

INVENTORY EXISTENCE AND VALUATION

Description of Key audit Matter

Inventory is held in various locations by the Group. There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the diverse & numerous inventory products, multiple storage locations and price fluctuations of products. Accordingly inventory quantities and valuation is identified as a key audit Matter.

DESCRIPTION OF AUDITOR'S RESPONSE

We have performed the following procedures:

- Reviewed the internal audit report regarding physical verification of inventories and traced adjustments on sample basis made on basis of such report to the books of accounts.
- Comparative analysis of inventory as at the end of the year with the inventory at the beginning of the year.
- We assessed whether the management's controls relating to inventory's valuation are appropriately designed and implemented.
- Verification of the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.

INFORMATION OTHER THAN THE STANDALONE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE IND AS 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 Standalone Ind AS 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 accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 this Standalone Ind AS 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 Standalone Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us [and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in the Other Matters paragraph below,] is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the

year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company; so far it appears from our examination of these books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A. N. GARG & COMPANY

Chartered Accountants

FRN- 004616N

A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: 25.05.2018

Annexure "A"**To the Independent Auditor's Report****The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date to the financial statements of the company for the period 1st April' 2018 to 31st March' 2019.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:-

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals; any material discrepancies were not noticed on such verification;
 - (c) The title deeds of immovable properties are held in the name of the company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and any material discrepancies were not noticed. Inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.
- (iii) As informed, and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanations given to us In respect of loans, investments, guarantees, and security, have been complied with (wherever applicable on the company) necessary provision of section 185 & 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year to which directives issued by the Reserve Bank of India and provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended, prescribed by the Central Government under sub – section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) As explained to us and as per the books and records examined by us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authority on regular basis.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, GST, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us by the management and relied upon by us, there are no dues of Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty & Cess, which have not been deposited on account of any dispute except the following Statutory dues, which have not been deposited on account of dispute and same is pending before appropriate authority as follows:

Sl. No.	Name of the Statute	Nature of Dues	Amount Disputed (Rs. in Lakhs)	Period to which dues Related	Authority where the dispute is Pending for Decision
1.	U.P. Tax on Entry of Goods in to Local areas ordinance, 2007	The Constitutional validity of U.P. Tax on Entry of Goods in to Local areas ordinance, 2007 had been challenged.	128.98	November, 2008 to March 2011	Before the High court Allahabad
2.	UP-VAT	Sales Tax-Penalty	0.56	2015-16	Before the Additional Commissioner (Appeal) of Commercial Tax Authority, Ghaziabad, Uttar Pradesh
3.	UP-VAT	Sales Tax	6.81	2011-12	
4.	UP-VAT	Sales Tax	4.30	2014-15	
5.	UP-VAT	Sales Tax	20.53	2012-13	
6.	UP-VAT	Sales Tax	22.74	2013-14	

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues of banks or financial institutions. The Company did not have any outstanding in respect of debentures during the year.

(ix) In our opinion and according to the information and explanations given by the management the Company has not raised money by way of public issue offer and hence the question of utilization of money raised by way of initial public offer does not arise. In our opinion and according to the information and explanations given to us, the Company has utilized the term loans for the purposes for which they were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given by the management, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion on the basis of information and explanations given by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanations given by the management, provision of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to company.

For A. N.GARG & COMPANY

Chartered Accountants

FRN- 004616N

A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: 25.05.2019

Annexure - B**To the Independent Auditor's Report**

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Hi-Tech Pipes Limited

We have audited the internal financial controls with reference to financial statements of Hi-Tech Pipes Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS 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 with reference to financial statements 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the 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 provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For A. N.GARG & COMPANY
Chartered Accountants
FRN- 004616N

A. N. GARG
(FCA, Partner)
M.No.-083687

Place: DELHI
Date: 25.05.2019

STANDALONE BALANCE SHEET

As At 31st March 2019

(Rs. in Lacs)

DESCRIPTION	Note No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	2	12,894.92	9,569.52
(b) Capital Work-in-Progress	3	218.19	1,151.55
(c) Intangible assets	4	8.25	7.03
(d) Financial Assets			
(i) Investments	5	348.20	301.10
(iii) Loans	6	731.42	451.40
(e) Other non-current assets	7	98.74	412.34
Total Non-Current Asset		14,299.72	11,892.93
Current Assets			
(a) Inventories	8	12,006.72	12,338.95
(b) Financial Assets			
(i) Trade receivables	9	9,392.85	7,785.03
(ii) Cash and cash equivalents	10	71.19	61.21
(iii) Bank balances other than (ii) above	11	1,492.50	1,165.16
(c) Other current assets	12	2,297.98	2,297.74
Total Current Assets		25,261.24	23,648.10
Total Assets		39,560.96	35,541.03
EQUITY AND LIABILITIES:			
Shareholders Funds			
(a) Equity Share Capital	13	1,070.11	1,050.11
(b) Other Equity	14	11,869.55	9,486.29
Total Equity		12,939.66	10,536.40
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	4,309.21	3,973.76
(ii) Other financial liabilities	16	94.79	637.51
(b) Provisions	17	60.08	52.91
(c) Deferred tax liabilities (Net)	18	1,058.83	623.28
Total Non-Current Liabilities		5,522.91	5,287.46
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	13,658.02	13,892.31
(ii) Trade payables	20	5,764.08	3,500.39
(iii) Other financial liabilities	21	1,031.75	1,059.26
(b) Other current liabilities	22	89.54	778.88
(c) Provisions	23	267.20	328.78
(d) Current Tax Liabilities (Net)	18	287.80	157.55
Total Current Liabilities		21,098.39	19,717.17
Total Liabilities		26,621.30	25,004.63
Total Equity & Liabilities		39,560.96	35,541.03

See the accompanying notes to the standalone financial statements

As per our report of even date

For A.N. Garg & Company

 Chartered Accountants
 ICAI Regn No. 004616N

A.N. Garg

 Partner
 Membership No. 083687

 Place: New Delhi
 Date: May 25, 2019

For and on behalf of Board of Directors

Ajay Kumar Bansal

 Managing Director
 DIN : 01070123

Arvind Bansal

Chief Financial Officer

Anish Bansal

 Director
 DIN : 00670250

Arun Kumar

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2019

(Rs. in Lacs)

Particulars	Note	For the Year ended March 31, 2019	For the Year ended March 31, 2018
I Revenue from operations	24	111,761.26	84,100.40
II Other income	25	134.37	178.60
III Total income (I + II)		111,895.63	84,279.00
IV Expenses:			
Cost of materials consumed	26	98,692.05	70,763.77
Purchases of stock-in-trade	26	2,881.04	3,881.66
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	863.05	(526.42)
Employee benefits expense	27	1,030.01	949.97
Finance costs	28	2,303.58	2,286.85
Depreciation and Amortization Expenses	29	413.50	327.49
Excise Duty Expense		-	1,948.84
Other expenses	30	2,858.33	2,507.36
Total expenses		109,041.55	82,139.52
V Profit before exceptional items and tax (III-IV)		2,854.08	2,139.48
VI Exceptional items		-	-
VII Profit/(loss) before tax (V-VI)		2,854.08	2,139.48
VIII Tax expense/(benefit):			
Current tax	18	609.11	456.60
Deferred tax	18	426.56	225.71
Previous Year Adjustments		-	1.17
		1,035.66	683.48
IX Profit/(loss) for the years (VII-VIII)		1,818.41	1,456.00
X Other comprehensive income			
A i) Items that will not be reclassified to profit or loss viz Remeasurement of the Defined Benefits Plan to Employees		25.99	-
ii) Income tax relating to items that will not be reclassified to profit or loss		9.00	-
Total (A)		16.99	-
B i) Items that will be reclassified to profit or loss (a) The effective portion of gains and loss on hedging instruments (b) Changes in Foreign Currency Monetary Item translation difference		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total (B)		-	-
Total Other comprehensive income / (loss) (A+B)		16.99	-
XI Total comprehensive income / (loss) (IX + X)		1,835.41	1,456.00
XII Earnings per equity share of Re. 10/- each			
Basic		17.20	14.13
Diluted		16.28	12.88

See the accompanying notes to the standalone financial statements

As per our report of even date

For A.N. Garg & CompanyChartered Accountants
ICAI Regn No. 004616N**A.N. Garg**Partner
Membership No. 083687

For and on behalf of Board of Directors

Ajay Kumar BansalManaging Director
DIN : 01070123**Arvind Bansal**

Chief Financial Officer

Anish BansalDirector
DIN : 00670250**Arun Kumar**

Company Secretary

Place: New Delhi
Date: May 25, 2019

STANDALONE STATEMENT OF CASH FLOW

for the year ended 31st March 2019

(Rs. in Lacs)

Particulars	For the year ended	
	31.03.2019	31.03.2018
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit Before Tax and Extra Ordinary Activity	2854.08	2139.48
Add/(Less) Adjustments for:		
Depreciation & Amortisations	413.50	327.49
Interest Received	(134.37)	(178.60)
Finance Costs	2303.58	2286.85
Other Provisions	(36.27)	(443.10)
	2546.44	1992.64
Operating Profit Before Working Capital Changes	5400.52	4132.12
Adjustments for:-		
Increase / (Decrease) Trade Paybles	2263.69	(1765.84)
Increase / (Decrease) Current Liabilities	(27.51)	32.47
Increase / (Decrease) Other Current Liabilities	(689.34)	(639.70)
(Increase) / Decrease Trade Receivables	(1607.81)	41.50
(Increase) / Decrease Inventories	332.23	(775.19)
(Increase) / Decrease Other Current assets	(0.23)	(25.15)
	271.02	(3131.91)
Cash Generated from Operations	5671.53	1000.21
Direct Taxes Paid	471.00	492.38
Net Cash Flow From Operating Activities	5200.53	507.83
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Addition to /Advance for Capital Assets	313.61	(58.35)
Investment in Wholly Owned Subsidiary	(47.10)	403.65
Increase/ (Decrease) in Long Term current assests	(280.03)	
Bank deposits considered other than Cash and cash equivalents	(327.34)	325.01
Purchase of Fixed Assets	(2802.04)	(4084.24)
Purchase of Intangible Assest	(4.72)	0.00
Sale of Fixed Assets	0.00	0.00
Net Cash Flow From Investing Activities	(3147.62)	(3413.93)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds on issue of Equity Shares/Warrants	600.00	1600.00
Dividend Paid (Including taxes)	(32.17)	(31.14)
Increase/ (Decrease) in Long Term Borrowings	(207.26)	777.11
Increase/ (Decrease) in Short Term Borrowings	(234.29)	3001.58
Increase/ (Decrease) in Other Long Term Liabilities	-	(384.13)
(Increase) / Decrease Other Non Current assets		14.65
Interest Received	134.37	178.60
Interest Paid	(2090.54)	(1993.88)
Other Finance Costs	(213.04)	(292.96)
Net Cash Flow Used In Financing Activities	(2042.93)	2869.82
Net Increase/ (Decrease) Changes in Cash & Cash Equivalent (A+B+C)	9.98	(36.28)
Cash and Cash Equivalent at the Beginning of the Year	61.21	97.47
Cash and Cash Equivalent at the Closing of the Year	71.19	61.21

See the accompanying notes to the standalone financial statements

As per our report of even date

For A.N. Garg & Company
 Chartered Accountants
 ICAI Regn No. 004616N

A.N. Garg
 Partner
 Membership No. 083687

 Place: New Delhi
 Date: May 25, 2019

For and on behalf of Board of Directors

Ajay Kumar Bansal
 Managing Director
 DIN : 01070123

Arvind Bansal
 Chief Financial Officer

Anish Bansal
 Director
 DIN : 00670250

Arun Kumar
 Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March, 2019

A. Equity Share Capital (Refer Note 13)

(Rs in Lacs)

As at 01.04.2017	Movement during the year	As at 01.04.2018	Movement during the year	As at 01.04.2019
1,030.11	20.00	1,050.11	20.00	1,070.11

B. Other Equity (Refer Note 14)

(Rs in Lacs)

Particulars	Reserves & Surplus				Total
	Security Premium Reserve	Retained Earnings	General Reserve	Money Received Against Share Warrant	
Opening Balance as at 31 March, 2017	1,686.37	1,849.46	2,945.60	-	6,481.43
Profit for the year	-	1,456.00	-	-	1,456.00
Fresh Issue of fully convertible equity Share Warrant	-	-	-	800.00	800.00
Dividend including DDT	-	(31.14)	-	-	(31.14)
Security Premium on :					
Fresh Issue of Equity share	780.00	-	-	-	780.00
Transfer to General Reserve	-	(100.00)	100.00	-	-
Closing Balance as at 31 March, 2018	2,466.37	3,174.32	3,045.60	800.00	9,486.29
Share premium on conversion of Share Warrants Into Equity share	780.00	-	-	-	780.00
Conversion of Share Warrants into Equity	-	-	-	(200.00)	(200.00)
Transfer to General Reserve	-	(100.00)	100.00	-	-
Dividend including DDT	-	(32.17)	-	-	(32.17)
Profit for the year	-	-	1,835.41	-	1,835.41
Closing Balance as at 31 March, 2019	3,246.37	3,042.17	4,981.00	600.00	11,869.54

See the accompanying notes to the standalone financial statements

As per our report of even date

For A.N. Garg & CompanyChartered Accountants
ICAI Regn No. 004616N**A.N. Garg**Partner
Membership No. 083687Place: New Delhi
Date: May 25, 2019

For and on behalf of Board of Directors

Ajay Kumar BansalManaging Director
DIN : 01070123**Arvind Bansal**

Chief Financial Officer

Anish BansalDirector
DIN : 00670250**Arun Kumar**

Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Background

Hi-Tech Pipes Limited is a public company limited by shares, incorporated and domiciled in India. Its registered office is located at 505, Pearl Towers, New Delhi – 110005, India and principal place of business is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India.

The Company is in the business of manufacturing of ERW Steel Round & Section Pipes, cold Rolled Strips & Engineering products and distribution of the same across India

Note 1 Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

i) **Compliance with Ind AS :**

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These Financial Statements are prepared under applicable Ind AS - Rules and Provisions of Companies Act, 2013.

ii) **Accrual basis of accounting**

iii) **Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis except for certain financial assets and liabilities that are measured at fair value

b) Foreign currency transactions:

i) Functional and presentation currency:

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (₹), which is also the functional and presentation currency of the Company.

ii) **Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income | (expense). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

c) **Revenue recognition:**

i) Timing of recognition :

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company.

This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

ii) **Measurement of revenue:**

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, GST (Goods & Service Tax) etc.

Revenue includes excise duty as it is paid on

production and is a liability of the manufacturer, irrespective of whether the goods are sold or not.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

d) Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the

liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

e) Government grants:

- i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.
- iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

f) Leases:

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period

so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually. Lease rental attributable to the operating lease are charged to Statement of Profit and Loss as lease income whereas lease income attributable to finance lease is recognised as finance lease receivable and recognised on the basis of effective interest rate.

g) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value: Depreciation is provided on the Straight Line Method to allocate the cost of assets, net of their residual values, over their estimated useful lives :

Asset category	Estimated useful life
Factory Buildings	30 years
Plant and equipment#	15 to 30 years
Vehicles	8 to 10 years
Office equipment and furniture	5 years
Furniture & Fittings	10 years
Computers	3 to 6 years

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated

recoverable amount.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

h) Intangible assets:

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services. Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent. Computer software cost is amortised over a period of 5 years using Straight Line Method.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured under IGAAP as the deemed cost of intangible assets.

i) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs.

j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

k) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

l) Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

m) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

n) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost is arrived at on moving weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

o) Investments and other financial assets:**Classification:**

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- ii) Those measured at amortised cost

The classification depends the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- ii) Amortised cost

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognised only when the Company

- i) has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual

obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities:

i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

iii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iv) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value

through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

v) De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they

are incurred.

s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Employee benefits:

Short-term employee benefits:

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect

of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service

cost.

t) Research and Development expenditure:

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

u) Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

v) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

- i) Estimation of useful life of tangible assets
- ii) Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

Note 27.18 Regrouped | Recast | Reclassified

Figures of the earlier year have been reclassified to conform to Ind AS presentation requirements.

Note 27.19 Rounding off

Figures less than ₹ 50,000 have been shown at actual in brackets.

Note 27.22 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on May 25, 2019.

2 Property, Plant and Equipment

(Rs in lakhs)

Particulars	Land	Office Building	Factory Shed & Building	Plant & Machinery	Office Equipment	Computers	Furniture & Fixtures	Vehicles	Total Tangible Assets
Gross Carrying amount as at 01.04.2017	958.45	511.12	1,271.60	4,221.75	46.67	16.53	79.58	136.78	7,242.49
Addition	-	1,596.72	142.69	1,360.15	4.87	1.65	13.30	113.50	3,232.88
Disposals	-	-	-	-	-	-	-	-	-
Gross Carrying amount as at 31.03.2018	958.45	2,107.84	1,414.29	5,581.90	51.54	18.18	92.88	250.28	10,475.37
Addition	-	30.00	136.86	3,316.00	15.20	6.52	98.69	156.14	3,759.41
Disposals	-	-	-	-	-	-	-	-	-
Gross Carrying amount as at 31.03.2019	958.45	2,137.84	1,551.15	8,897.90	66.74	24.70	191.57	406.42	14,234.78
Accumulated depreciation									
Balance as at 31.03.2017	-	24.72	96.79	397.56	15.15	5.80	26.82	39.68	606.52
Depreciation for the year	-	13.03	43.27	204.57	11.59	7.12	13.45	30.30	323.33
Depreciation on Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2018	-	37.75	140.06	602.13	26.74	12.92	40.27	69.98	929.85
Depreciation for the year	-	34.11	48.03	272.81	3.59	3.74	11.66	36.07	410.01
Depreciation on Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2019	-	71.85	188.09	874.94	30.33	16.66	51.93	106.06	1,339.85
Net Carrying Amount									
As at 31.03.2019	958.45	2,065.99	1,363.07	8,022.96	36.41	8.04	139.64	300.37	12,894.92
As at 31.03.2018	958.45	2,070.10	1,274.24	4,979.77	24.80	5.26	72.17	180.30	9,569.52
Useful life of Assets (Years)	NA	60	30	10-30	8-15	3-6	10	10	-
Method of Depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	-

Note:

- Property, Plant & equipment have been pledged as security against certain long term borrowings of the company as at 31 March 2019 (Refer Note 15)
- The Company has Capitalised Rs 160.06 Lakh as borrowing cost during the financial year 2018-19. (Previous year: 25.53 lakh)

3. Capital Work-in-Progress

(Rs in lakhs)

Particulars	Total
As at 31.03.2018	1,151.55
As at 31.03.2019	218.19

4 Intangible Assets

(Rs in lakhs)

Intangibles Assets	Computer Software	Intangibles Total
Gross Carrying amount as at 31.03.2017	16.16	16.16
Additions	0.96	0.96
Disposals	-	-
Gross Carrying amount as at 31.03.2018	17.12	17.12
Additions	4.72	4.72
Disposals	-	-
Gross Carrying amount as at 31.03.2019	21.84	21.84
Accumulated Amortisation and impairment		
Balance as at 31.03.2017	5.92	5.92
Amortisation for the year	4.16	4.16

Intangibles Assets	Computer Software	Intangibles Total
Amortisation on Disposals	-	-
Balance as at 31.03.2018	10.09	10.09
Amortisation for the year	3.50	3.50
Amortisation on Disposals	-	-
Balance as at 31.03.2019	13.59	13.59
Net Carrying Value		
As at 31.03.2019	8.25	8.25
As at 31.03.2018	7.03	7.03
Useful life of Assets (Years)	3-5	-
Method of Depreciation	SLM	

5 Investments In subsidiaries (Non Current)

Particulars	Paid Up Value	As at 31.03.2019		As at 31.03.2018	
		No. Of Shares	(Rs in lakhs)	No. Of Shares	(Rs in lakhs)
A. Investment in Equity Shares (Unquoted)					
Subsidiaries (at cost or deemed cost)					
HTL Metal Pvt. Ltd. (face value of Rs.10/- each)	Rs.10/- each	2,360,000	301.10	2,360,000	301.10
HTL ISPAT P LTD	Rs.10/- each	500,000	47.10	-	-
Total			348.20		301.10
Unquoted					
Aggregate carryig value			348.20		301.10
Investment at Cost			348.20		301.10

6 Loans (Unsecured) (Non Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Loans (Considered good)		
to related parties*	494.49	215.62
Security deposit	236.93	235.77
Total	731.42	451.40

*Details of loans and advances in the nature of loans to subsidiaries (including interest receivable):

Name of Company	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018	As at 31.03.2018
	Maximum amount outstan- ding during the year	Amount outstan- ding	Maximum amount outstan- ding during the year	Amount outstan- ding
HTL Metal Pvt. Ltd.	619.28	203.49	619.28	215.62
HTL Ispat Pvt Ltd.	291.00	291.00	-	-
	910.28	494.49	619.28	215.62

7 Other Assets (Unsecured) (Non Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Capital Advances (considered good)	98.74	412.34
Total	98.74	412.34

8 Inventories

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Inventories (at lower of cost and net realisable value)		
Raw materials	6,412.00	5,943.64
Semi-finished / finished goods	4,779.00	5,490.25
Production consumables and stores and spares	284.94	222.47
Waste & Scrap	329.00	480.80
Immovable Property	201.78	201.78
Total	12,006.72	12,338.95

Inventories have been pledged as security against certain bank borrowings of the company (Refer note 19)

9 Trade Receivables (Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured (considered good)	9,392.85	7,785.03
Total	9,392.85	7,785.03

- The credit period on sale of goods ranges from 30 to 60 days without securities. No interest is charged on trade receivables.
- Before accepting any new customer, the company evaluates the financial position, past performance, business opportunities, credit references etc. of the new customers and define credit limit and credit period. The credit limit and the credit period are reviewed at periodical intervals.
- The company does not generally hold any collateral or other credit enhancements over the balances.
- Trade receivables have been given as collateral toward borrowings (refer security note below Note 19)

10 Cash and cash equivalents

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Balance with banks in current accounts	10.07	17.41
Cash on hand	61.13	43.80
Total	71.19	61.21

11 Bank Balance other than cash and cash equivalents

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Earmarked balances		
In current accounts	0.55	0.54
In margin money (with maturity more than 3 months but less than 12 months) at inception	1,491.95	1,164.62
Total	1,492.50	1,165.16

11.1 Earmarked bank balance are restricted in use and it relates to unclaimed dividend and balances with banks held as margin money for security against the guarantees & LC issued by Banks

12 Other Current Assets (Unsecured)

(considered Good)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Advances to suppliers & others	1,727.88	1,558.54
Balance with Government authorities	537.23	697.36
Prepayment & others	32.86	41.84
Total	2,297.98	2,297.74

13 Equity share capital

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Number of Share (Nos in Lacs)		Amount (Rs In lakhs)	
Share Capital				
(a) Authorised :				
Equity shares of the par value of Rs.10/- each	140.00	140.00	1,400.00	1,400.00
(b) Issued and subscribed: (A)				
Outstanding at the beginning of the year	105.01	103.01	1,050.11	1,030.11
(c) Fresh Issue during the year through preferential allotment	-	2.00	-	20.00
(d) Conversion of Equity Warrants into Equity Shares	2.00	-	20.00	-
(d) Outstanding at the end of the year	107.01	105.01	1,070.10	1,050.11
Total (A+B+C)	107.01	105.01	1,070.10	1,050.11

a) The Movement of Share Capital in Subscribed and Paid up Share Capital is set out as below

(in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Number of Share		Amount (Rs In lakhs)	
Equity shares of Rs.10/- each fully paid up as on 1 April	105.01	103.01	1,050.11	1,030.11
Add: Fresh Equity Shares Issued on preferential basis during the year**	-	2.00	-	20.00
Add: Conversion of Equity Warrants into Equity Share	2.00	-	20.00	-
Equity shares - closing as on 31 March	107.011	105.011	1,070.110	1,050.110

b) **Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares and carry a right of dividend. Each shareholder is eligible for one vote per share held & in the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% share in the company are set out below:

(Rs in lakhs)

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of Share	% of Share	Number of Share	% of Share
Ajay Kumar Bansal	1,520,677	14.21%	1,491,900	14.21%
Parveen Bansal	1,019,200	9.52%	1,019,000	9.70%
Vipul Bansal	827,600	7.73%	817,600	7.79%
Anish Bansal	767,600	7.17%	737,600	7.02%
AKS Buildcon Pvt. Ltd.	552,000	5.16%	552,000	5.26%
Ajay Kumar & Sons (HUF)	520,800	4.87%	520,800	4.96%
Hi- Tech Agrovision Pvt. Ltd.	516,000	4.82%	516,000	4.91%
Shweta Bansal	551,200	5.15%	541,200	5.15%

e) For the period of five years immediately preceding the date of Balance Sheet: 10,701,100

Aggregate number & class of shares allotted by the company as fully paid up pursuant to contracts without receipt of cash: Nil
Aggregate number & class of shares bought back by the company : Nil

Aggregate number & class of shares allotted by the company as fully paid up by way of bonus shares :

Particulars	2015-16	2013-14	Total
Fully paid up Equity shares by way of Bonus Shares (Face Value of Rs.10/- each)	37,855,550	2,340,000	6125550

d) Dividends

The Board of Directors, in its meeting on May 25, 2019 has recommended a final dividend of Rs. 0.25 per equity share for the financial year ended March 31, 2019. This proposal is subject to the approval of Shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately Rs. 32.20 Lakhs including Dividend Distribution Tax. This figure may change to the extent of conversion of fully convertible warrants into Equity shares on or before book closure date for the purpose of dividend.

14 Other Equity

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Securities premium account	3,246.37	2,466.37
Retained earnings	3,042.17	3,174.32
General reserve	4,981.00	3,045.60
Share Warrants	600.00	800.00
Total	11,869.54	9,486.29

(i) Securities premium account

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

(ii) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

(iii) Share Warrant (Fully Convertible in Equity Shares)

The company has issued and allotted 8,00,000 fully convertible warrants to promoter, promoter group and non-promoters on preferential basis @ Rs. 400/- each on subscription amount of Rs.100/- each (being 25% application money), which are convertible into equal number of equity shares, carries pari - passu rank with existing equity shares, The holder of convertible warrants shall convert his holding of convertible warrants within 18 month from the date of allotment of such convertible warrants and during the current Financial Year 2,00,000 warrants has been converted into equal number of Equity shares.

15 Borrowings (Non Current)

Particulars	(Rs in lakhs)	
	As at 31.03.2019	As at 31.03.2018
Term Loans:		
From Bank	3,487.95	3,230.22
From Others	475.96	504.35
Vehicle Loans	196.45	83.27
	4,160.36	3,817.84
Unsecured		
From Directors/Others	83.65	-
Intercorporate Borrowings:		
Loan from Related Parties	73.55	72.38
Loan from Body Corporate	-	94.96
	157.20	167.34
Unamortised upfront fee on Secured Borrowing ('C')	-8.34	-11.42
Total (A) + (B) + ('C')	4,309.21	3,973.76

Rupee Term loan from Bank (Secured)
A. Term Loans (Secured)

As at 31 March 2019		As at 31 March 2018		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
-	-	-	43.57	Repayable in monthly instalments of Rs. 7.02 lakhs last instalment due in Oct 2018	Exclusive Charge on Plant and Machinery at Plot No. 10 and 16 Sikandrabad, second charge on entire current assests (both present and future) at Sikandrabad ,U.P and personnel guarantee of promoters directors.
29.37	11.19	40.76	10.00	Repayable in equated monthly instalments along with interest of Rs. 1.21 lakhs last instalment due in June 2022	Equitable mortgage on Property situated at A-811, Tower Mondeal Heinghts, Ahemedabad, Gujrat.
600.00	200.00	750.00	250.00	Repayable in Quarterly instalments of Rs. 50 lakhs last instalment due in March 2023	Exclusive Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
-	-	667.80	100.00	Repayble in Monthly Instalments of Rs. 8.33 lakhs (including interest) Last Instalment due on March 2027	
-	-	366.95	50.00	Repayble in Monthly Instalments of Rs. 4.15 lakhs and Last Instalment due on October 2026	Exclusive Charge on Immovable Property commercial land and building situated 130, Sector-44, Gurgaon, Haryana and personel guarantee of promoters directors
353.46	25.53	-	-	Repayble in Monthly Instalments of Rs. 4.21 lakhs and Last Instalment due on September 2026	
650.00	25.00	-	-	Repayble in Monthly Instalments of Rs. 8.33 lakhs (including interest) Last Instalment due on Dec. 25	
-	59.68	81.13	54.07	Repayble in equated Monthly Instalments and Last Instalment due on Feb 2020*	Equitable mortgage on Property situated at 3/4 Jaypee Greens, Noida, Gautam Budha nagar, Uttar Pradesh
-	1.61	2.10	1.63		
53.78	10.55	67.97	7.27		
560.00	136.00	720.00	136.00	Repayable in unequal quarterly instalments of Rs. 32 lakhs to Rs.56 lakhs commencing from August 2016 and last instalment due in November 2022.	
105.00	60.00	165.00	60.00	Repayable in equal quartely installments of Rs.15 lakhs commencing from February 2017 and last installment due in November 2021.	Exclusive Charge on Fixed Assets of Sanand, Gujarat Unit, second charge on entire current assets (both present and future) at Sanand, Gujarat Unit.
70.19	20.05	82.72	27.57	Repayable in equal quartely installments of Rs.501340.90 commencing from June 2018 and last installment due in June 2023.	
85.01	24.29	100.19	33.40	Repayable in equal quartely installments of Rs.607227.27 commencing from June 2018 and last installment due in June 2023.	
120.82	34.52	142.39	47.46	Repayable in equal quartely installments of Rs.862977.27 commencing from June 2018 and last installment due in June 2023.	

As at 31 March 2019		As at 31 March 2018		Terms of Repayments	Security
Non-Current	Current	Non-Current	Current		
36.66	10.48	43.21	14.40	Repayable in equal quarterly installments of Rs.261886.36 commencing from June 2018 and last installment due in June 2023.	
181.36	42.67				Equitable Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
195.53	46.01				
627.61	48.62				
106.64	26.32				Equitable mortgage on respective Vehicles
			6.56		
37.46	14.61	59.01			
3.11	5.89	12.93	1.44	All loans have 36 monthly installments commencing from various dates and ending on various dates.	
-	1.83	4.79	1.26		
-	0.54	6.54	1.24		
CLOSED		-	0.86		
CLOSED		-	0.99		
3,816.00	805.39	3,313.50	847.72		
Rupess Loan from Financial Institutions (Secured)					
CLOSED	CLOSED	24.39	5.14	Repayable in Monthly Instalments of Rs.0.81 lakhs (including interest) Last Instalment due on Nov 2021	Equitable mortgage on Property situated at 1F - CS - 42 & 43 First Floor, Ansal Plaza, Vaishali, Ghaziabad, Uttar Pradesh.
250.41	97.25	356.72	89.18	Repayable in equated monthly instalments along with interest of Rs. 11.52 lakhs last instalment due in Feb 2022	Equitable Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
93.95	34.40	123.24	30.81	Repayable in equated monthly instalments along with interest of Rs. 3.92 lakhs last instalment due in Apr 2022	Equitable Charge on Plant and Machinery being financed for plant situated at Plot No. 10 and 16 Sikandrabad.
344.36	131.65	504.35	125.13		
4,160.36	937.04	3,817.84	972.84		

16. Other Financial Liabilities (Non Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Security Deposits from Agents/Dealers		
Strategic Dealers	-	588.61
Other Deposits	94.79	48.90
Total	94.79	637.51

17. Provisions (Non-Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Leave encashment (refer note- 33)	6.70	1.79
Provision for Gratuity (refer note- 33)	53.38	51.12
Total	60.08	52.91

18. Income Taxes

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 30% plus a surcharge and education cess. MAT is assessed on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. MAT for the fiscal year 2018-19 is 21.34%. MAT paid in excess of regular income tax during a year can be set off against regular income taxes within a period of fifteen years succeeding the fiscal year in which MAT credit arises subject to the limits prescribed.

(a) Income tax expense / (benefits)

(Rs in lakhs)

Particulars	For the year ended	
	31.03.2019	31.03.2018
Current tax :		
Current tax (MAT)	609.11	456.60
Tax refund / reversal pertaining to earlier years	-	1.17
	609.11	457.77
Deferred tax :		
Deferred tax	426.56	265.75
MAT credit entitlement	-	(40.04)
(Restoration)/reversal of MAT credit entitlement	-	-
Tax provision/(reversal) for earlier years	-	-
Total deferred tax	426.56	225.71
Total Tax expense / (benefit)	1,035.66	683.48

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(Rs in lakhs)

Particulars	For the year ended	
	31.03.2019	31.03.2018
Profit/loss before tax	2,854.08	2,139.48
Enacted tax rate in India	34.61%	34.61%
Expected income tax expense / (benefit) at statutory tax rate	987.74	740.43
Depreciation under Income Tax Act	(391.06)	(460.95)
Expenses not deductible in determining taxable profits	12.43	144.09
Deductions allowed under tax Laws	-	(3.09)
Others	-	(3.93)
Tax expense for the Current year	609.11	416.56
MAT on PBT @ 21.34%	609.11	456.60
Tax expense pertaining to current year	609.11	456.60
Effective income tax rate	21.34%	21.34%

Deferred tax assets / (liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Deferred tax liabilities (net)	(1,058.83)	(663.32)
MAT Credit Entitlement	-	40.04
Total	(1,058.83)	(623.28)

(Rs in lakhs)

Deferred tax balance in relation to	As at 31.03.2018	Recognised / reversed through P/L	Recognised in / reclassified from other OCI	As at 31.03.2019
Property, plant and equipment	(684.04)	(387.62)	-	(1,071.66)
Provisions for employee benefit / loans, advances and guarantees	20.72	(7.89)	-	12.83
Total	(663.32)	(395.51)	-	(1,058.83)

(Rs in lakhs)

Deferred tax balance in relation to	As at 31.03.2017	Recognised / reversed through P/L	Recognised in / reclassified from other OCI	As at 31.03.2018
Property, plant and equipment	(398.01)	(286.03)	-	(684.04)
Provisions for employee benefit / loans, advances and guarantees	0.44	20.28	-	20.72
Total	(397.57)	(265.75)	-	(663.32)

19 Borrowings (current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 01.04.2018
Working capital loans from banks (secured)	13,658.02	13,892.31
Total	13,658.02	13,892.31

Working capital loan are secured by :-

Working capital facilities availed are secured by first pari passu charge on entire current assets of the company and second pari passu on moveable fixed assets of the company. These credit facilities are further secured by personal guarantee of promoter-directors of the company.

20 Trade Payables

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 01.04.2018
Raw Material	5,064.53	3,111.71
Other than Raw Material	699.55	388.68
Total	5,764.08	3,500.39

Credit Terms of these Trade Payable varies from 0-90 days.

21 Other financial liabilities (Current)

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 01.04.2018
Current maturities of long-term borrowing (refer note 15)	937.03	972.84
Interest accrued but not due on borrowings	94.72	86.41
Total	1,031.75	1,059.26

22 Other current liabilities

(Rs in lakhs)

Particulars	As at 31.03.2019	As at 01.04.2018
Advances from customers	30.63	220.49
Statutory liabilities	11.76	25.49
Unclaimed dividends	0.55	0.54
Creditors for fixed assets	46.60	532.36
Total	89.54	778.88

23 Provisions (Current)

(Rs in lakhs)

Particulars	As at	
	31 March 2019	31 March 2018
Provision for Leave encashment (refer note- 33)	1.35	0.65
Provision for Corporate Social Responsibility	-	29.96
Bonus payable	20.30	19.49
Provision for Gratuity (refer note- 33)	4.22	14.93
Provision for Expenses	241.32	263.75
Total	267.19	328.78

24 Revenue from operations

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Sale of products:		
Domestic turnover	111,465.71	83,862.70
Export turnover (through SEZ)	119.95	84.36
	A	111,585.66
Other operating revenues		
Rent	167.93	153.34
Job Work	7.67	-
	B	175.60
Total	(A+B)	111,761.26

25 Other Income

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Interest Income earned on financial assets		
Bank deposits	130.72	175.57
Other Interest income	2.20	3.03
Other Income	1.45	-
Total	134.37	178.60

26 Changes in inventories of finished goods, work-in-progress and stock in trade

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Opening Stock :		
Semi finished /finished goods	4763.27	4,924.57
Rejection & Scraps	480.80	433.13
Work-in-progress	726.98	551.83
	A	5971.05
Closing stock :		
Semi finished /finished goods	4779.00	4,763.27
Rejection & Scraps	329.00	480.80
Work-in-progress	0.00	726.98
	B	5,971.04
Total	C (A-B)	863.05
Excise duty on stock of finished goods (net)(increase or (decrease) in E.D)	D	(464.91)
Total	(C+D)	(526.42)

26.1 COST OF MATERIALS CONSUMED

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Indigenous Raw Material & stores	98692.05	70,763.77
Total	98692.05	70,763.77

27 Employee benefits expense

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Salaries and wages	894.59	873.17
Contribution to provident and other funds (refer note 33)	71.46	38.81
Provisions for Employees Benefits	23.05	6.66
Staff welfare expenses	40.91	31.33
Total	1030.01	949.97

28 Finance costs

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Interest expenses on borrowings	2090.54	1,993.88
Other borrowing costs	213.04	292.96
Total	2303.58	2,286.85

29 Depreciation and amortization

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Tangible assets	410.00	323.33
Intangible assets	3.50	4.16
Total	413.50	327.49

30 Other expenses

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Power and fuel	1554.03	1320.34
Rent	16.96	20.62
Repairs and maintenance		
Plant and equipment	19.72	34.55
Buildings	21.02	12.12
Others	97.03	33.05
Sales Promotion	64.28	99.72
Fee & Subscription	14.96	23.24
Insurance	48.13	23.14
Carriage and freight	457.91	472.78
Job work and processing charges	67.07	18.27
Commission on sales	33.11	40.80
Travelling and Conveyance	184.09	128.13
Legal or Professional Consultation Charges	90.45	55.31
Vehicle Running and Maintenance	44.57	33.83
Security Services	44.05	44.38
Miscellaneous expenses	100.96	147.08
Total	2858.33	2507.36

**Provision for CSR for FY 19 was Rs. 19.91 Lacs (previous year Rs.13.51 Lacs) is included in Misc. Expenses
Auditors remuneration (excluding GST/Service Tax) included in miscellaneous expenses :**

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
As Audit fees (including limited review)	16.50	8.00
For Tax audit fees	1.00	1.00
Total	17.50	9.00

31 Earnings per share (EPS)

(Rs in Lacs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Profit/(Loss) attributable to Equity shareholders (₹ in crores) (A)	1835.41	1,456.00
Weighted average number of Equity shares for basic EPS (B)	106.73	103.04
Effect of Dilution :		
Equity share outstanding	107.01	105.01
Weighted average number of Treasury shares held through Convertible Warrant	6.00	8.00
Weighted average number of Equity shares adjusted for the effect of dilution (C)	112.74	113.01
Basic EPS (Amount in ₹) (A/B)	17.20	14.13
Diluted EPS (Amount in ₹) (A/C)	16.24	12.88
Face value per Share	Rs.10/-	Rs.10/-

32 Segment reporting

In accordance with the provisions of Ind AS 108 -Operating Segment, the operations of the company falls under manufacturing of Steel Tubes & Pipes and which is also considered to be the reportable segment by management.

33. Employee benefits

- a) **Defined Contribution Plans, Contribution to Defined Contribution Plans, recognized as an Expenses for the year is as under:**

Particulars	For the Year Ended 31-03-2019	For the Year Ended 31-03-2018
Employers' Contribution to Provident Fund (includes pension Fund)	24,35,986	21,83,690
Employer's Contribution to Employee State Insurance	21,10,656	16,97,268

- b) **Defined Benefit Plans**

The Company has funded the Gratuity Liability ascertained on actuarial basis, wherein every employee who has completed five years or more of service is entitled to gratuity on retirement or resignation or death calculated at 15 days salary for each completed year of service, subject to maximum of Rs.20 Lakhs per employee. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 year.

The Plan in India is actually expose the Company to actuarial risk such as: Investment Risk, Interest Rate Risk, Longevity Risk and Salary Risk.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields, if the return on plan asset is below this rate, it will create a plan deficit.

Interest Risk: A decrease in bond interest rate will increase the plan Liability; however this will be partially offset by an increase in the return on the plan's debt investments.

Longevity Risk: The present value of the defined benefit liability is calculated by the reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such the increase in the salary of plant participant will increase the plan liability.

There are no other post retirement benefit provided to employees

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2019 by Mr. Saket Singhal (Fellow- Institute of Actuaries of India). The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Summary of Financial Results

Executive Summary

Amount Recognized in Statement of Financial Position at Period – End		31/03/2018	31/03/2019
Present value of Defined Benefit Obligation		66,38,455	57,60,055
Fair value of Plan Assets		--	--
		66,38,455	57,60,055
Unrecognized Asset due to the Asset Ceiling		--	--
Net Defined Benefit (Assets) / Liability Recognized in Statement of Financial Position		66,38,455	57,60,055
1.	Change in Defined Benefit Obligation	31/03/2018	31/03/2019
a)	Defined Benefit obligation, beginning of period	63,27,210	66,38,455
b)	Interest Cost on DBO	4,97,319	5,19,127
c)	Net Current Service Cost	15,20,957	13,53,395
d)	Actual Plan Participants' Contributions	--	--
e)	Benefits Paid	(4,01,404)	(1,52,074)
f)	Past Service Cost	--	--
g)	Changes in Foreign Currency Exchange Rates	--	--
h)	Acquisition /Business Combination / Divestiture	--	--
i)	Losses / (Gains) on Curtailments / Settlements	--	--
j)	Actuarial (Gain)/Loss on obligation	(13,05,627)	(25,98,848)
k)	Defined Benefit Obligation, End of Period	66,38,455	57,60,055
2.	Change in Fair Value of Plan assets	31/03/2018	31/03/2019
a)	Fair value of plan assets at the beginning	--	--
b)	Expected return on plan assets	--	--
c)	Employer contribution	--	--
d)	Actual Plan Participants' Contributions	--	--
e)	Actual Taxes Paid	--	--
f)	Actual Administration Expenses Paid	--	--
g)	Changes in Foreign Currency Exchange Rates	--	--
h)	Benefits paid	--	--
i)	Acquisition /Business Combination / Divestiture	--	--
j)	Assets Extinguished on Curtailments / Settlements	--	--
k)	Actuarial (Gain)/Loss on Asset	--	--
l)	Fair value of plan assets at the end.	--	--
3.	Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End	31/03/2018	31/03/2019
a)	Service Cost	15,20,957	13,53,395
b)	Net Interest Cost	4,97,319	519127
c)	Past Service Cost	--	--
d)	Administration Expenses	--	--
e)	(Gain)/Loss due to settlements / Curtailments / Terminations / Divestitures	--	--
f)	Total Defined Benefit Cost/(Income) included in Profit & Loss	20,18,276	18,72,522
4.	Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at Period - End	31/03/2018	31/03/2019
a)	Amount recognized in OCI, (Gain) / Loss Beginning of Period	(17,38,351)	(30,43,978)
b)	Remeasurements Due to :		
	1.Effect of Change in Financial Assumptions	(2,70,077)	26637
	2.Effect of Change in Demographic Assumptions	--	--
	3.Effect of Experience Adjustments	(10,35,550)	(26,25,485)
	4.(Gain)/Loss on Curtailments/Settlements	--	--
	5.Return on Plan Assets (Excluding Interest)	--	--
	6.Changes in Asset Ceiling	--	--
c)	Total Remeasurements Recognised in OCI (Gain)/Loss	(13,05,627)	(25,98,848)
d)	Amount Recognized in OCI (Gain)/Loss, End of Period	(30,43,978)	(56,42,826)
5.	Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income)	31/03/2018	31/03/2019
a)	Amount recognized in P&L, End of Period	20,18,276	18,72,522
b)	Amount recognized in OCI, End of Period	(13,05,627)	(2598848)
c)	Total Net Defined Benefit Cost/(Income) Recognized at Period-End	7,12,649	(726326)

6.	Reconciliation of Balance Sheet Amount	31/03/2018	31/03/2019
a)	Balance Sheet (Asset)/Liability, Beginning of Period	63,27,210	66,38,455
b)	True-up	--	--
c)	Total Charge/(Credit) Recognised in Profit and Loss	20,18,276	18,72,522
d)	Total Remeasurements Recognised in OC (Income)/Loss	(13,05,627)	(25,98,848)
e)	Acquisition /Business Combination / Divestiture	--	--
f)	Employer Contribution	--	--
g)	Benefits Paid	(4,01,404)	(1,52,074)
h)	Other Events	--	--
i)	Balance Sheet (Asset)/Liability, End of Period	66,04,611	57,60,055

7.	Actual Return on Plan Assets	31/03/2018	31/03/2019
a)	Expected return on plan assets	--	--
b)	Remeasurement on Plan Assets	--	--
c)	Actual Return on Plan Assets	--	--

8.	Change in the Unrecognised Asset due to the Asset Ceiling During the Period	31/03/2018	31/03/2019
a)	Unrecognised Asset, Beginning of Period	--	--
b)	Interest on Unrecognised Asset Recognised in P&L	--	--
c)	Other changes in Unrecognised Asset due to the Asset Ceiling	--	--
d)	Unrecognized Asset, End of Period	--	--

9.	The Major Categories of Plan Assets	31/03/2018	31/03/2019
a)	Government of India Securities (Central and State)	--	--
b)	High Quality Corporate Bonds (Including Public Sector Bonds)	--	--
c)	Equity Shares of listed companies	--	--
d)	Cash (Including Bank Balance, Special Deposit Scheme)	--	--
e)	Funds Managed by Insurer	--	--
f)	Others	--	--
	Total	--	--

10.	Current / Non Current Bifurcation	31/03/2018	31/03/2019
a)	Current liability	14,92,517	4,21,950
b)	Non-Current liability	51,12,094	53,38,105
c)	Net Liability	66,04,611	57,60,055

11.	Defined Benefit Obligation by Participant Status	31/03/2019
a)	A. Actives	57,60,055
b)	B. Vested Deferreds	--
c)	C. Retirees	--
d)	Total Defined Benefit Obligation	57,60,055

12.	Sensitivity Analysis	31/03/2019
a)	Defined Benefit Obligation – Discount Rate +100 Basis Points	(6,11,414)
b)	Defined Benefit Obligation – Discount Rate -100 Basis Points	7,35,324
c)	Defined Benefit Obligation – Salary Escalation Rate +100 Basis Points	7,53,123
d)	Defined Benefit Obligation – Salary Escalation Rate -100 Basis Points	(6,34,626)

6. Actuarial Valuation Assumptions Used for Valuation

Financial Assumptions Used to Determine the Profit & Loss Charge	31/03/2018	31/03/2019
a) Discounting Rate	7.86 P.A.	7.82 P.A.
b) Salary Escalation Rate	4.50 P.A.	4.50 P.A.
c) Expected Rate of Return on Assets	0.00 P.A.	0.00 P.A.

Demographic Assumptions Used to Determine the Defined Benefit	31/03/2018	31/03/2019
a) Retirement Age	60 Years	60 Years
b) Mortality Table	IALM [2006 – 2008]	
c) Employee Turnover / Attrition Rate		
18 to 30 Years	2.00 %	2.00 %
30 to 45 Years	2.00 %	2.00 %
Above 45 Years	1.00 %	1.00 %

34 Financial instruments

a) Capital Risk Management

The company's capital requirements are mainly to fund its expansion, working capital and strategic acquisition. The principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by short term borrowings from bank and the funds from capital market. The company is not subject to any externally imposed capital requirements.

The company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and closely monitors its judicious allocation amongst competing expansion projects and strategic acquisition, to capture market opportunities at minimum risk.

The company monitors its capital gearing ratio, which is net debt divided by total equity. Net debt includes interest bearing loans and borrowings less cash and cash equivalents, bank balances and other cash and cash equivalents.

Particulars	As at 31-03-2019	As at 31-03-2018
Long term borrowings	430,921,259	397,376,449
Current maturities of long term debts	93,703,000	97,284,471
short term borrowings	1,365,802,142	1,389,231,012
Less: Cash and Cash equivalents	(7,119,240)	(6,120,700)
Less: Bank balances other than cash and cash equivalents	(149,249,890)	(116,516,091)
Net Debt	1,734,057,272	1,761,255,141
Total Equity	1,293,965,321	1,053,640,124
Gearing Ratio	1.34	1.67

- Equity includes all capital and reserves of the Company that are managed as capital.
- Debt is defined as long and short term borrowings (excluding financial guarantee contracts), as described in Note 15 and 19.

c) Financial risk management

The Company has an Audit & Risk Management Committee established by its Board of Directors for the Risk Management Framework and developing and monitoring the Company's risk management policy. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

D) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity prices and interest rates.

E) Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its products. Market forces generally determine prices for the steel products sold by the company. These prices may be influenced by factors such as supply and demand, production costs (including the cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

The Company purchases the steel and other building products in the open market from third parties in prevailing market price. The Company is therefore subject to fluctuations in the prices of HR Coils, Zinc etc.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures the products based on prevailing market rates as the selling prices of steel products and the prices of inputs moves in the same direction.

F) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees. The risk is managed by the Company by keeping a close watch on the market variables and time to time negotiations with the Bankers for reduction of rate of interest.

G) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arises principally from the trade receivables and advances

Trade receivables:

Customer credit risk is managed centrally by the company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/ economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored.

E) Liquidity risk management

Liquidity risk refers to the risk of financial distress extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for: term operational needs as well as for capex purposes. The Company generates sufficient cashflow for operations, which together with the available cash and cash equivalents and short term borrowings provide liquidity. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continue monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. A table showing maturity profile of the Financial Assets & Liabilities has been placed on the website of the company.

F) Fair Valuation of Financial Instrument

Carrying value and Fair Value of Financial Instrument as on 31-03-2019, 31-03-2018 and is the same & there is no difference therein.

35 Operating Lease

a) As Lessor:

The company has entered into leasing arrangements for renting of a building admesuring approximately 1262 Square meter at the rate of Rs. 870/- per SM monthly For the period of 12 months, which is renewable.

Disclosure in respect of assets (building) given on operating lease:

Particulars	As at 31-03-2019	As at 31-03-2018
Gross carrying amount of assets	37,180,995	37,180,995
Accumulated Depreciation	6,629,580	6,176,171
Depreciation for the year	453,409	453,409

b) As Lessee:

Various building have been taken on operatin lease with lease term for 11 months for office primises, storage space & employee residence which are renewable on a periodic basis by mutual consent of both parties. All the operating lease are cancelable by either parties for any reason by giving a prior notice. There is no restriction imposed by lease aggrements, such as those concerning dividens, additional debts.

Lease payments recognised under rent expenses is as follows:

Particulars	For the year ended	For the year ended
	31-03-2019	31-03-2018
Minimum lease payment made on operating lease	1,695,677	206,2056

36 Related party disclosures
A Name of Related Parties and nature of relationship:

1 Associate enterprise over which key management personnels and their relative exercise significant influence	1 Hitech Agro Vision Pvt Ltd
	2 AKS Buildcon Pvt Ltd
	3 Hi-Tech Saw Pvt. Ltd. (Formerly known as Gujarat Hitech Steel Pvt Ltd)
2 Subsidiaries	1. HTL Metal Pvt Ltd
	2. HTL Ispat Pvt Ltd
3 Key Management Personnel (KMP)	1. Sh. Ajay Kumar Bansal as Managing Director
	2. Sh. Anish Bansal as Whole time Director
	3. Sh. Arvind Bansal, Chief Financial Officer
	4. Sh. Arun Kumar, CS & Compliance Officer
4 Relatives of Key Management Personnel	1. Vipul Bansal is as Relatives of Managing Director
	2. Rakesh Bansal is as Relatives of Managing Director

B Transactions with related parties & Outstanding balance

(Rs in Lacs)

Particulars	Value of Transaction	
	FY 2018-19	FY 2017-18
1 Remuneration paid to Key Management Personnel	118.44	103.38
2 Interest paid to Key Management Personnel/Relatives	-	0.00
3 Outstanding balance of Key Management Personnel/Relatives Cr Bal	83.65	0.00
4 Salary paid to Relatives of Key Management Personnel	-	0.00
5 Interest paid to Related Entities	Nil	7.32
6 Interest earned from Wholly owned subsidiary	-	50.00
7 Outstanding balance of Wholly owned subsidiary	494.48	215.62

In respect of above parties there is no provision for doubtful debt as on March 31st, 2019 and no amount is written off or written back during the year in respect of debt/loans and advances due from/to them.

Credit facilities of the company is further is collaterally secured by the personal gaurantee of the Promoter Directors as declared in note 15 & 19

37 Contingent liabilities:

(Rs in Lacs)

Particulars		As at 31	As at 31
		March 2019	March 2018
Corporate Guarantee given for Subsidiaries	To the extent of their secured working capital facilities		
Disputed UP Valud Added Tax Demand [^]		54.94	54.94
Bank Guarantee relating to Entry Tax [*]		128.98	128.98
Performance Bank Guarantee #		45.47	36.09
Total		220.01	220.01

[^] Refer item (vii) of the Independent Audit Report

^{*} Relating to Entry Tax imposed by UP VAT Authorities during the FY 12 & petition thereof is pending with Hon'ble Allahabad High Court. The company is of the opinion that eventually no liability shall accrue to the company in this matter.

38 Commitments

Particulars	(Rs in Lacs)	
	As at 31 March 2019	As at 31 March 2018
Estimated value of capital commitments	-	27.24
Total	-	27.24

38A Additional Information

Particulars	(Rs in Lacs)	
	As at 31 March 2019	As at 31 March 2018
a CIF Value of Imports	-	-
b Foreign Currency Earnings	-	-
c Foreign Currency Expenditure	92.83	50.28

As per our report of even date

For A.N. Garg & Company

 Chartered Accountants
 ICAI Regn No. 004616N

A.N. Garg

 Partner
 Membership No. 083687

 Place: New Delhi
 Date: May 25, 2019

For and on behalf of Board of Directors
Ajay Kumar Bansal

 Managing Director
 DIN : 01070123

Arvind Bansal

Chief Financial Officer

Anish Bansal

 Director
 DIN : 00670250

Arun Kumar

Company Secretary



HI-TECH PIPES LTD.

CIN: L27202DL1985PLC019750

Registered office: 505, PEARLS OMAXE TOWER, NETAJI SUBHASH PLACE,
PITAMPURA, NEW DELHI-110034

www.hitechpipes.in | info@hitechpipes.in | +91-11-48440050 | +91-11-48440055

NOTICE OF 35TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Members of Hi- Tech Pipes Limited will be held on Wednesday, the 25th day of September, 2019 at 11:00 A.M at Le Pacific, Orchid Hall, 31/35 Main Rohtak Road, West Punjabi Bagh, New Delhi - 110026 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement (Including the Consolidated Financial Statement) of the company for the financial year ended March 31, 2019; the Reports of Board of Directors' and Auditors' thereon.
2. To declare Dividend of 25/- Paise per equity share for the Financial Year ended on March 31, 2019.
3. To appoint Mr. Anish Bansal, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Anish Bansal (DIN: 00670250), who retires by rotation and being eligible offers himself for reappointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

4. To consider and approve the revision in remuneration of Sh. Ajay Kumar Bansal, Chairman and Managing Director of the company and if thought fit, to pass with or without modification(s) the following resolution a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, applicable clauses of the Articles of Association of the Company and as recommended

by the Nomination & Remuneration Committee, approval of the members of the company be and is hereby accorded for revision in the remuneration of Mr. Ajay Kumar Bansal, [DIN:01070123], Chairman and Managing Director of the Company, on the following terms and conditions.

REMUNERATION: -

Part-I

- I. **SALARY:** Rs.8,00,000/- p.m. or Rs. 96,00,000/- p.a.
- II. **PERQUISITES:** Perquisites shall be allowed in addition to salary restricted to an amount equal to the annual salary or Rs.96,00,000/- per annum.

a) **Medical Reimbursement:** Expenses incurred for Managing Director and their respective family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

b) **Club Fees:** Including entrance and subscription of maximum of two clubs together with the benefit of all expenses incurred towards the business of the Company.

c) **Leave Travel Concession:** For self and family, once in a year incurred in accordance with rules of the company.

Part-II

d) **Personal Accident Insurance:** Premium for self and family as per the rules of the Company for life, personal and accidental insurance.

e) **Contribution to the Provident Fund:** Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

f) **Gratuity:** Payable shall not exceed half a month's salary for each completed year of service, subject to the maximum ceiling limit of exemption under the Income Tax Act applicable at that time.

g) **Encashment of leave:** At the end of the tenure.

Holiday passage for children studying outside India/

family staying abroad: Return holiday passage once in a year by economy class or once in two year by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.

Provision of car: for use on the Company's business car and telephone at resident will not be considered as perquisite. Personal Long Distance call on telephone and use of car for personal purpose shall be billed by the company to the Managing Director.

FURTHER RESOLVED THAT subject to the approval of the members, the Board may, from time to time, vary or modify the above terms including remuneration as it thinks fit during the tenure of appointment, provided however that such variation is within as per the provisions/ Limit laid down under the Companies Act, 2013 and rules made thereunder.

FURTHER RESOLVED THAT subject to the schedule V of the Companies Act, 2013 the aforesaid remuneration shall be paid within the applicable limit(s) and period thereof, whenever and wherever applicable, as minimum salary and perquisites to Mr. Ajay Kumar Bansal in the event of loss or inadequacy of profit in any financial year during the tenure of his appointment.

FURTHER RESOLVED THAT any Director be and is hereby authorized to take all such necessary action for giving effect to aforesaid."

5. To consider and approve the revision in remuneration of Sh. Anish Bansal, Whole Time Director of the company and if thought fit, to pass with or without modification(s) the following resolution a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, applicable clauses of the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee, approval of the members of the company be and is hereby accorded for revision in the remuneration of Mr. Anish Bansal, [DIN:00670250], Whole-Time Director of the Company, on the following terms and conditions.

REMUNERATION: -

Part-I

- I. **SALARY:** Rs.5,00,000/- p.m. or Rs. 60,00,000/- p.a.
- II. **PERQUISITES:** Perquisites shall be allowed in addition to salary restricted to an amount equal to the annual

salary or Rs.60,00,000/- per annum.

- a) **Medical Reimbursement:** Expenses incurred for Managing Director and their respective family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- b) **Club Fees:** Including entrance and subscription of maximum of two clubs together with the benefit of all expenses incurred towards the business of the Company.
- c) **Leave Travel Concession:** For self and family, once in a year incurred in accordance with rules of the company.

Part-II

- d) **Personal Accident Insurance:** Premium for self and family as per the rules of the Company for life, personal and accidental insurance.
- e) **Contribution to the Provident Fund:** Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- f) **Gratuity:** Payable shall not exceed half a month's salary for each completed year of service, subject to the maximum ceiling limit of exemption under the Income Tax Act applicable at that time.
- g) **Encashment of leave:** At the end of the tenure.

Holiday passage for children studying outside India/ family staying abroad: Return holiday passage once in a year by economy class or once in two year by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.

Provision of car: for use on the Company's business car and telephone at resident will not be considered as perquisite. Personal Long Distance call on telephone and use of car for personal purpose shall be billed by the company to the Whole-Time Director.

FURTHER RESOLVED THAT subject to the approval of the members, the Board may, from time to time, vary or modify the above terms including remuneration as it thinks fit during the tenure of appointment, provided however that such variation is within as per the provisions/ Limit laid down under the Companies Act, 2013 and rules made thereunder.

FURTHER RESOLVED THAT subject to the schedule V of the Companies Act, 2013 the aforesaid remuneration shall be paid within the applicable limit(s) and period thereof, whenever and wherever applicable, as minimum salary and perquisites to Mr. Anish Bansal in the event of loss or inadequacy of profit in any financial year during the tenure

of his appointment.

FURTHER RESOLVED THAT any Director be and is hereby authorized to take all such necessary action for giving effect to aforesaid.”

6. To consider and approve remuneration payable to M/s S. Shekhar & Co., Cost Accountants appointed as Cost Auditors of the Company for FY 2019-20 and if thought fit, to pass with or without modification(s) the following resolution a **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 148 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, M/s S.Shekhar & Co, the Cost Accountants be and is hereby appointed as Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid the remuneration as set out in the Statement annexed to the Notice convening this meeting.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary be and is/are hereby authorized jointly/severally to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**For and on behalf of the Board
Hi-Tech Pipes Limited**

**Sd/-
Ajay Kumar Bansal
(Chairman and Managing Director)
DIN: 01070123**

Place: New Delhi

Date: 13th August, 2019

REGISTERED OFFICE:

505, Pearls Omaxe Tower,
Netaji Subhash Place,
New Delhi-110034

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to Special Business as set out in the notice is annexed hereto and forms part of this notice.
2. Re-appointment of Director: At the ensuing Annual General Meeting, Mr. Anish Bansal, Director of the Company retire by rotation and being eligible offer himself for re-appointment. The information pertaining to the Director retiring by rotation to be provided in terms of regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) for General Meeting is furnished as an annexure to this Notice.
3. **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/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, STAMPED AND SIGNED MUST BE DEPOSITED AT THE COMPANY’S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY FORM FOR THE AGM IS ENCLOSED HERewith.**
A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.
4. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
5. Members/Proxies are requested to bring their admission slip duly filled in and signed along with copy of the report and accounts to Annual General Meeting.
6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID No. and those who hold shares in physical form are requested to write Folio No. in the attendance slip for attending meeting.
7. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DPIN in all correspondence, so as to enable the Company to address any future communication at their correct address.
8. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
9. Members holding shares in physical forms, if any, are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease in portfolio management. Member can contact the Company or the Company’s Registrar and Transfer Agent, BigShare Services Private Limited, for assistance in this regard.
10. Relevant documents referred to in the Notice are open for inspection by the Members at the Registered office of the Company on all working days (that is, except Sundays and Public Holidays) during business hours up to the date of the

Meeting.

11. The Register of Members and the Share Transfer Books of the Company will remain closed from **19th September, 2019 to 24th September, 2019** (Both Days Inclusive) for the purpose of the Annual General Meeting and payment of dividend.
12. Members desirous of seeking any information/clarification(s) concerning the Accounts or operations of the Company are requested to address their queries in writing to the Company Secretary at the registered office of the company, atleast 7 days prior to the date of the meeting, so that the same may be attended appropriately.
13. Under Section 72 of the Companies Act, 2013, members are entitled to make nomination in respect of the Shares held by them in physical mode, if any. Members desirous of making nomination are requested to send their request in Form SH-13 as per Companies Act, 2013 to the Company's RTA.
14. Members holding Shares in the dematerialized form may contact their Depository Participant for recording nomination in respect of their shares.
15. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
16. Members holding shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
18. Pursuant to Section 101 and Section 136 of the Companies Act, 2013, read with relevant Rules made thereunder, Companies can serve Annual Reports & other communications through electronic mode to those members whose email IDs are registered with the Company/Depository Participants(s). As per provisions of Section 20 of the Companies Act, 2013 read with Rules made thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India on General Meeting, a document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office/home address or by such electronic mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his/ her Depository Participant(s)/Company Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. For members who have not registered their email address with the Company, the service of documents will be affected by other modes of services as provided in Section 20 of the Companies Act, 2013, read with the relevant Rules there under. Printed copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Paper and Proxy Form is being sent to all members in the permitted mode.
19. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2019 will also be available on the Company's website www.hitechpipes.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: cs@hitechpipes.in
20. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then they cannot vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
21. The Remote E-voting period for all items of business contained in this Notice shall commence from **Sunday, the 22nd Day of September, 2019 at 9.00 a.m.** and will end on **Tuesday, the 24th Day of September, 2019 at 5.00 p.m.** During this period, Equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of **18th September, 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to their Equity shareholding in the Paid up Equity share capital of the Company as on **18th September, 2019**.
22. The Board of Directors has appointed M/s NSP & Associates, Practising Company Secretaries as the Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner (including the Ballot Form received from the members who do not have access to the e-voting process).
23. The Results of Remote E-voting shall be declared at the AGM of the Company and the results along with Scrutinizer's

report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of Annual General Meeting.

24. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting and after scrutinizing such votes received shall make a Scrutinizer's Report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.

25. The Route Map of the venue of the Annual General Meeting forms part of this Notice and is annexed.

- Who become members after dispatch of notice and all the members as on cut off date shall obtain their passwords by writing to cs@hitechpipes.in

26. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- i) The voting period begins on **Sunday, the 22nd Day of September, 2019 at 9.00 a.m.** and will end on **Tuesday, the 24th Day of September, 2019 at 5.00 p.m.** During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2019 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 meeting venue.
- iii) The shareholders should log on to the e-voting website: www.evotingindia.com.
- iv) Click on Shareholders.
- v) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.
 - vii) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders).</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <p>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 as mentioned in instruction (iv).</p>

- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions

contained in this Notice.

- xii) Click on the EVSN for Hi-Tech Pipes Limited on which you choose to vote.
- xiii) 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.
- xiv) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xv) 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.
- xvi) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xviii) 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.
- xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- 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 emailed 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.

- xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

**For and on behalf of the Board
For Hi-Tech Pipes Limited**

Sd/-

**Ajay Kumar Bansal
(Chairman and Managing Director)**

DIN: 01070123

Place: New Delhi

Date: 13th August, 2019

REGISTERED OFFICE:

505, Pearls Omaxe Tower,
Netaji Subhash Place,
New Delhi-110034

ANNEXURE TO NOTICE:

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1)
OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL
FACTS RELATING TO THE SPECIAL BUSINESS:**

ITEM NO. 4

Shri Ajay Kumar Bansal was re-appointed as a Managing Director of the Company for a period of five (5) years commencing from 1st October, 2017 on the terms and conditions as recommended by the Nomination & Remuneration Committee, the Board of Directors and as approved by the Shareholders of the Company at their Annual General Meeting held on 25th September, 2017 and as per the terms of appointment including remuneration as per the resolution passed by them. With respect to the prerequisites under Part II of the Terms of remuneration, regarding Contribution to provident fund, superannuation fund or annuity fund, for better simplicity and clear interpretation, it is proposed to ratify the payment made under Part I and further amend the same for further period of his appointment. Based on the recommendation of Nomination Remuneration Committee at its meeting held on 25th May, 2019, your Directors seek your approval on revision in remuneration of the Managing Director through Special Resolution. Accordingly, your Directors recommend and seek your approval to the resolution as set out in item no.4 of the accompanying notice by way of Special Resolution. Neither any of the Directors /Key Managerial Personnel of the company nor any of their relative(s), except Shri Ajay Kumar Bansal shall be deemed to be concerned or interested, financially or otherwise, in the resolution as set out at item no. 4 of the notice.

ITEM NO. 5

Shri Anish Bansal was re-appointed as a Whole Time Director of the Company for a period of five (5) years commencing from 1st October, 2017 on the terms and conditions as recommended

by the Nomination & Remuneration Committee, the Board of Directors and as approved by the Shareholders of the Company at their Annual General Meeting held on 25th September, 2017 and as per the terms of appointment including remuneration as per the resolution passed by them. With respect to the prerequisites under Part II of the Terms of remuneration, regarding Contribution to provident fund, superannuation fund or annuity fund, for better simplicity and clear interpretation, it is proposed to ratify the payment made under Part I and further amend the same for further period of his appointment. Based on the recommendation of Nomination Remuneration Committee at its meeting held on 25th May, 2019, your Directors seek your approval on revision in remuneration of the Whole Time Director through Special Resolution. Accordingly, your Directors recommend and seek your approval to the resolution as set out in item no.5 of the accompanying notice by way of Special Resolution. Neither any of the Directors /Key Managerial Personnel of the company nor any of their relative(s), except Shri Anish Bansal shall be deemed to be concerned or interested, financially or otherwise, in the resolution as set out at item no. 5 of the notice.

ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the company across various segments, for the financial year ending March 31, 2020 as per the following details:

S.No.	Name of the Cost Auditor	Financial Year	Audit Fees (In Rs.)
1.	M/s S. Shekhar & Company	2019-20	50000

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) rules, 2014 the remuneration of the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, 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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested financially or otherwise in the resolution.

The Board recommends passing of the Ordinary Resolution set out at Item No. 46 of the Notice.

**For and on behalf of the Board
For Hi-Tech Pipes Limited**

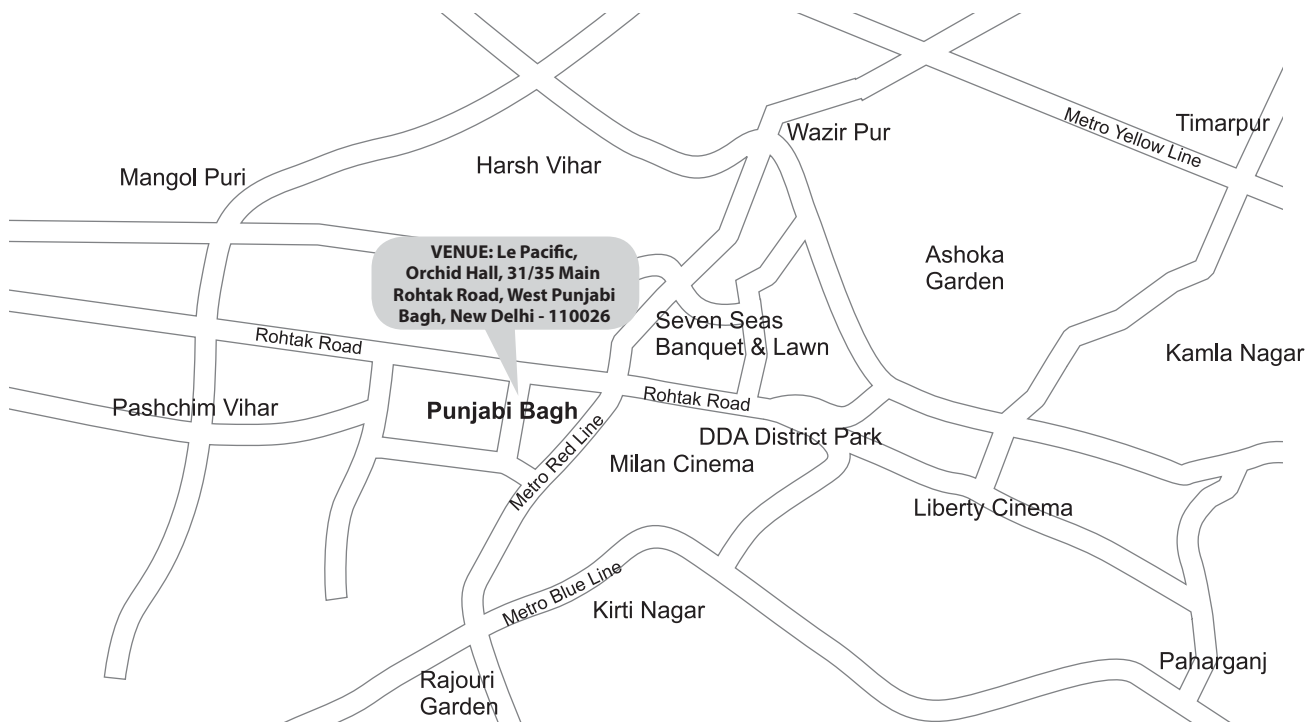
**Sd/-
Ajay Kumar Bansal
(Chairman and Managing Director)
DIN: 01070123**

Place: New Delhi
Date: 13th August, 2019

REGISTERED OFFICE:
505, Pearls Omaxe Tower,
Netaji Subhash Place,
New Delhi-110034

VENUE: Le Pacific, Orchid Hall, 31/35 Main Rohtak Road, West Punjabi Bagh, New Delhi - 110026

ROUTE MAP TO THE AGM VENUE



DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT (RETIRE BY ROTATION) AT THE 35TH ANNUAL GENERAL MEETING

Name of Director	Mr. Anish Bansal
Date of Birth/Age	2 nd November, 1984/34
Brief Resume	Mr. Anish Bansal has done B.Sc.- Economics in Banking and Finance from the Cardiff University, UK in 2005. He is responsible for the Finance function of the Company and works closely in the expansion plans with the Managing Director.
Experience/Expertise	Mr. Anish Bansal has over 13 years in Corporate Finance, Strategy, marketing, product development, project implementation, international trade and Finance besides certain other Corporate matters.
Disclosure of relationships between directors inter-se	Mr. Anish Bansal is the Son of Mr. Ajay Kumar Bansal, Managing Director of the Company.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the Board	NIL
Shareholding	767600 Equity Shares



HI-TECH PIPES LTD.

CIN: L27202DL1985PLC019750

Registered office: 505, PEARLS OMAXE TOWER, NETAJI SUBHASH PLACE,
PITAMPURA, NEW DELHI-110034

Website: www.hitechpipes.in Email: info@hitechpipes.in Tel.: +91-11-48440050 Fax: +91-11-48440055

ATTENDANCE SLIP

**35TH ANNUAL GENERAL MEETING, WEDNESDAY, THE 25TH DAY OF SEPTEMBER, 2019 AT 11:00 A.M
AT LE PACIFIC, ORCHID HALL, 31/35 MAIN ROHTAK ROAD, WEST PUNJABI BAGH, NEW DELHI - 110026**

Sl. No.....

Registered Folio No. / DP ID & Client ID:

Name and Address of Member (s):

Joint Holder (s):

No. of Shares:

I/We hereby record my/our presence at the Thirty Fifth Annual General Meeting of the Company held on Wednesday, the 25th Day of September, 2019 at 11:00 a.m at Le Pacific, Orchid Hall, 31/35 Main Rohtak Road, West Punjabi Bagh, New Delhi - 110026.

Member's/ Proxy's Signature

Notes:

- 1. Members holding shares in physical form are requested to advise the change in their address, if any, to M/s Bigshare Services Private Limited 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019.**
- 2. Members are informed that no duplicate slips will be issued at the venue of the Meeting and they are requested to bring this slip for the meeting.**
- 3. Please note that no gift or gift coupons will be distributed.**

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL

ELECTRONIC VOTING PARTICULARS

E-Voting Event Number (EVEN)	User ID	Password

Note: Please read the instructions printed on the Notice of 35th Annual General Meeting to be held on 25th Day of September, 2019. The voting period starts from 9.00 a.m. (IST) on Sunday, the 22nd Day of September, 2019 and ends at 5.00 p.m. (IST) on Tuesday, the 24th Day of September, 2019. The voting modules shall be disabled by CDSL for voting thereafter.



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MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____

Registered address : _____

E-mail Id : _____

Folio No/ Client Id No : _____ DP ID No: _____

I/ We being the member (s) of _____ shares of the above mentioned company, hereby appoint:

- Name: _____ Email Id: _____
Address: _____
Signature: _____ or failing him/her;
- Name: _____ Email Id: _____
Address: _____
Signature: _____ or failing him/her;
- Name: _____ Email Id: _____
Address: _____
Signature: _____ or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **THIRTY FIFTH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, 25th day of September, 2019 at 11:00 a.m. at Le Pacific, Orchid Hall, 31/35 Main Rohtak Road, West Punjabi Bagh, New Delhi - 110026 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Res. No.	Description	For	Against
Ordinary Resolutions			
1.	To consider and adopt the Audited Financial Statement (including the Consolidated Financial Statement) of the Company for the Financial year ended March 31, 2019 the Reports of Board of Directors' and Auditors' thereon.		
2.	To declare Dividend of Rs. 0.25/- Paisa per equity share for the Financial Year ended on March 31, 2019		
3.	To appoint a Director in place of Mr. Anish Bansal (DIN:00670250) who retires by rotation and being eligible, offers himself for re-appointment		
Special Resolution			
4.	To consider and approve the revision in remuneration of Sh. Ajay Kumar Bansal, Chairman and Managing Director of the company (Special Resolution)		
5.	To consider and approve the revision in remuneration of Sh. Anish Bansal, Whole Time Director of the company (Special Resolution)		
6.	To consider and approve remuneration payable to M/s S. Shekhar & Co., Cost Accountants appointed as Cost Auditors of the Company for FY 2019-20 (Special Resolution)		

Signed this _____ day of _____ 2019

Signature of the member _____

Signature of Proxyholder(s) _____

Affix
Revenue
Stamp

Note:

- The Proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company.
- Please put a " " in the Box in the appropriate column against the respective resolution. If you leave the "For" or "Against" column blank against any or all the resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A proxy need not be a member.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

HI-TECH PIPES

FORTUNE

THE NEXT

500

COMPANY - 2018

Rank #250

HI-TECH PIPES LTD.

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