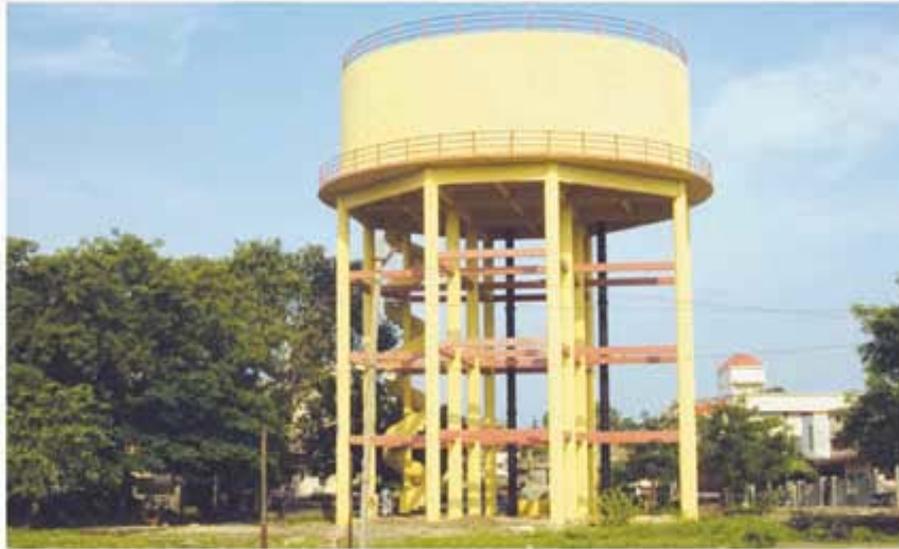


ANNUAL REPORT  
2011-12



**Indian Hume Pipe**

# SHEGAON WATER SUPPLY PROJECT



**Elevated Storage Reservoir of 9.15 Lakh Liter Capacity**



**600 mm Dia Prestressed Concrete Cylinder Pipe Line (49 KM)**



**Water Treatment Plant**

**Board of Directors** Mr. Rajas R. Doshi : Chairman & Managing Director  
Mr. Ajit Gulabchand  
Ms. Jyoti R. Doshi  
Mr. Rajendra M. Gandhi  
Mr. Rameshwar D. Sarda  
Mr. N. Balakrishnan  
Ms. Anima B. Kapadia  
Mr. Vijay Kumar Jatia  
Mr. P. D. Kelkar  
Mr. Mayur R. Doshi : Executive Director (From 28-05-2012)

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**Company Secretary** Mr. S. M. Mandke

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**Executives** Mr. P. R. Bhat : Sr. General Manager  
Mr. Ajay Asthana : General Manager  
Mr. G. Pundareekam : General Manager  
Mr. Shashank J. Shah : General Manager  
Mr. M. S. Rajadhyaksha : Controller of Accounts & Finance  
Mr. B. S. Narkhade : Chief Internal Auditor  
Mr. A. B. Joshi : Chief Personnel Manager

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**Auditors** M/s. K. S. Aiyar & Co., Chartered Accountants  
F-7, Laxmi Mills, Shakti Mills Lane, (Off. Dr. E. Moses Road), Mahalaxmi,  
Mumbai – 400 011

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**Solicitors** M/s. Daphtary Ferreira & Divan  
M/s. Udwardia, Udeshi & Argus

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**Bankers** State Bank of India  
Bank of Baroda  
State Bank of Hyderabad  
HDFC Bank Ltd.  
Corporation Bank

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**Registrar & Transfer Agent** M/s. Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W), Mumbai – 400 078  
Tel No. 022-25946970 Fax No. 022-25946969

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**Registered Office** Construction House, 2nd Floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai – 400 001  
Tel No.: 022-22618091 / 92, 40748181  
Fax No.:022-22656863,  
email : info@indianhumepipe.com  
Website : www.indianhumepipe.com

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**Annual General Meeting** Wednesday, 25th July, 2012, at 4.00 P.M.  
Walchand Hirachand Hall,  
Indian Merchants' Chamber Building,  
4th Floor, Indian Merchants' Chamber Marg,  
Churchgate, Mumbai – 400 020

## NOTICE

NOTICE is hereby given that the EIGHTY SIXTH ANNUAL GENERAL MEETING of the Company will be held as scheduled below :-

DAY	: Wednesday
DATE	: 25th July, 2012
TIME	: 4.00 P. M.
PLACE	: Walchand Hirachand Hall, Indian Merchants' Chamber Building, 4th floor, Indian Merchants' Chamber Marg, Churchgate, Mumbai - 400 020

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2012, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Ajit Gulabchand, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. N. Balakrishnan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Vijay Kumar Jatia, who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any of the Companies Act, 1956, M/s. K. S. Aiyar & Co., Chartered Accountants, bearing ICAI Registration No.100186W, the retiring Auditors of the Company, be and they are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to do Statutory Audit of the Company's accounts including its branches for the Financial Year 2012-13 on a remuneration as may be fixed by the Board of Directors of the Company and that they be paid, in addition, out of pocket and/or travelling expenses they may incur in carrying out their duties as such Auditors.”

### SPECIAL BUSINESS :

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Mayur R. Doshi who is appointed as an Additional Director on 28th May, 2012 and holds office up to the date of the ensuing annual general meeting and eligible for appointment and in respect of whom the Company has received notice in writing from a Member under the provisions of section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director”.

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII as amended up-to-date and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) (including any amendment or re-enactment thereof for the time being in force) and subject to such other approvals / sanctions as may be necessary, the Company hereby accords its consent and approval to the appointment of Mr. Mayur R. Doshi as Executive Director of the Company with effect from 28th May, 2012 to 31st March,

2016 on the remuneration and perquisites and on other terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the draft Agreement to be entered into between the Company and Mr. Mayur R. Doshi, a copy whereof initialled by a Director of the Company for the purpose of identification is placed before this meeting which draft agreement is hereby specifically approved with liberty and power / authority to the Board of Directors (including Remuneration Committee) to increase, alter or vary the terms of the remuneration and perquisites including monetary value thereof as set out in the Agreement at any time and from time to time and in such manner as the Board of Directors may deem fit and as may be agreed to between the Board and Mr. Mayur R. Doshi so as not to exceed the maximum limit for the payment of remuneration specified in Section 198, 309 read with schedule XIII of the Act or any such re-enactment / amendment thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and are hereby authorized to do all acts, deeds, matters and things as the Board of Directors may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company”.

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and any other applicable provisions of the Companies Act, 1956 including the rules made thereunder and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force (“the Act”) and subject to the approval of the Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company hereby accords its approval for the payment of the following remuneration to Mr. Rajas R. Doshi, Chairman & Managing Director for the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 in the event of inadequate profits or loss during the said financial years.

Salary and Perquisites and Allowances together with Retirals:

(Amount in ₹ )

Financial Year	Annual Salary (Basic)	Perquisite including House Rent Allowance (per annum)	Provident Fund & Superannuation Fund (per annum)	Total (per annum)
2011-12	60,75,000.00	42,60,871.50	16,40,250.00	1,19,76,121.50
2012-13*	69,75,000.00	52,98,620.00	18,83,250.00	1,41,56,870.00
01.04.2013 to 30.06.2013*	18,00,000.00	12,58,405.00	4,86,000.00	35,44,405.00

\*Estimated



## NOTICE

### Explanation:

Perquisites and allowances are restricted to 125% of the annual salary. For the purpose of calculating the above ceiling of 125% of the annual salary, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

In addition to the salary and commission payable, Mr. Rajas R. Doshi, Chairman & Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance @60% of the salary, reimbursement of actual medical expenses incurred in India and/or abroad for himself and his family including hospitalisation, payment of insurance premium towards domestic medical insurance policy and reimbursement of expenses for utilities such as gas, electricity, water, furnishing, repairs and other allowances, fees of clubs including admission/entry fees, personal accident insurance and leave travel allowance for self and his family and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Remuneration Committee and/or Board of Directors and the Chairman & Managing Director from time to time. However, such perquisites and allowances will be subject to a maximum of 125% of the annual salary.

- a) The Company shall provide Company maintained car with driver/ reimbursement expenses of driver for use by the Chairman & Managing Director and shall also provide at his residence telephones (including payment for local calls and long distance official calls), reimbursement of Mobile phones expenses & outgoings, telefax and other communication facilities. These provisions shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- b) The Chairman & Managing Director will be entitled for privilege leave on full pay and allowances and/or encashment thereof as per the rules of the Company.
- c) The following perquisites shall not be included in the computation of the ceiling on remuneration specified above :
  - i) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income-Tax Act;
  - ii) Gratuity payable as per the rules of the Company ;
  - iii) Encashment of leave at the end of the tenure.

### Commission

Such remuneration by way of Commission, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Remuneration Committee and/or Board of Directors of the Company at the end of each financial year, subject to the overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.

RESOLVED FURTHER THAT in case the Company has in any of the aforementioned financial years i.e. for the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 of Mr. Rajas R. Doshi, Chairman & Managing Director, no profits or its profits are inadequate, Mr. Rajas R. Doshi, Chairman & Managing Director be

paid the aforesaid remuneration as "Minimum Remuneration" in the said financial year(s) notwithstanding that the same exceeds/may exceed the ceiling limit laid down in Sections 198, 309 and Schedule XIII to the Act, subject to approval of the Central Government.

RESOLVED FURTHER THAT during the financial years 2012-13 and for the remainder of his term up to 30th June, 2013, if there are adequate profits then the Company will pay the aforesaid remuneration and the profit commission to Mr. Rajas R. Doshi, Chairman & Managing Director of the Company within the overall ceilings stipulated in Section 198 and 309 of the Companies Act, 1956 as approved by the Shareholders at the Annual General Meeting held on 30th July, 2008 while re-appointing him for a period of 5 years from 1st July, 2008 to 30th June, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company including the Remuneration Committee be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above remuneration in such manner as may be permitted in accordance with the provisions of the Act and/or to the extent as may be required, by the Central Government while according their approval.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including execution of necessary documents and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution.

RESOLVED FURTHER THAT an application in the prescribed form be made to the Central Government and the Secretary of the Company be and is hereby authorised to take necessary action in this regard."

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

"RESOLVED THAT subject to the approval of the Central Government under Section 309 (5B) and other applicable provisions of the Companies Act, 1956 consent of the Company be and is hereby given for waiver of excess managerial remuneration of ₹ 68,99,977.03 out of the total managerial remuneration (excluding profit commission) of ₹ 1,19,76,121.50 paid to Mr. Rajas R. Doshi, Chairman & Managing Director of the Company for the financial year from 1st April, 2011 to 31st March, 2012 which is in excess of the limits prescribed in Sections 198, 309 read with Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and are hereby authorised to do all acts, deeds, matters and things as the Board of Directors may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.

RESOLVED FURTHER THAT an application in the prescribed form be made to the Central Government and the Secretary of the Company be and is hereby authorised to take necessary action in this regard."

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

"RESOLVED THAT subject to provisions of Sections 198 and 309 of the Companies Act, 1956 and other applicable provisions, if any, the Non Executive Directors of the Company be paid, in addition to the sitting fees for attending the meetings of the Board or Committees thereof, a

## NOTICE

commission not exceeding 1% of the net profits of the Company or an amount not exceeding ₹ 24 Lacs in aggregate, whichever is less, per financial year, for a period of 3 years commencing from the financial year 2012-13 to 2014-15.

RESOLVED FURTHER THAT the quantum of commission payable to each Non Executive Director be decided by the Board as it may deem fit.”

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT subject to the provisions of Section 228 of the Companies Act, 1956 and other provisions if any, consent of the Company be and is hereby accorded to the re-appointment of M/s. Brahmayya & Co., Chartered Accountants, Hyderabad, retiring Branch Auditors of the Company to carry out Branch Audit, Limited Review and Tax Audit of the Company's Factories, Projects and Project Offices in the State of Andhra Pradesh, as Branch Auditors for the financial year 2012-13 and to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on a remuneration to be decided by the Board of Directors in consultation with the Branch Auditors plus reimbursement of out of pocket expenses as may be incurred by them.

### NOTES:-

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time for holding the Annual General Meeting.**
- (b) The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special business under item Nos.7 to 12 above, to be transacted at the meeting is annexed hereto.
- (c) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 13th July, 2012 to Wednesday, 25th July, 2012 (both days inclusive).
- (d) The Dividend for the year ended 31st March, 2012, as recommended by the Board, if sanctioned at the meeting, will be payable to those Members whose names appear in the Register of Members as on 13th July, 2012. In respect of shares held in Electronic (Demat) form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
- (e) Shareholders who hold Shares in dematerialised form may please note that as advised by the Securities and Exchange Board of India, the Company will be mandatorily printing on the dividend warrants, the Shareholder(s) Bank Account details as furnished by the respective Depositories to the Company.

In order to avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment of dividend warrants, the shareholders are advised to avail of ECS facility, whereby the dividend amount will be directly credited to their respective Bank Accounts electronically. This will also ensure speedier credit of dividend. You may write to the Company's Registrar & Share Transfer Agent or your Depository Participants directly to avail benefit of this service / facility.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board of Directors to appoint Branch Auditors of the Company under Section 228 of the Companies Act, 1956 for auditing accounts of such other locations of the Company in other State(s), if required to be audited under Section 228 of the Companies Act, 1956 for the financial year 2012-13, on such terms and conditions, as they may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and things as may be necessary, desirable and expedient to give effect to this resolution.”

By Order of the Board of Directors,

**S. M. Mandke**  
Company Secretary

### Registered Office:

Construction House, 2nd floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date : 28<sup>th</sup> May, 2012

- (f) As required under the Listing Agreement, a brief write up is given below in respect of five Directors whose re-appointment / appointment is placed before this AGM.
- i) Mr. Ajit Gulabchand (63) is associated with the Company as Director since 1993. He has over 34 years experience in the construction business and is the Chairman & Managing Director of M/s. Hindustan Construction Co. Ltd. He is on the Board of renowned listed Companies such as Bajaj Electricals Ltd., RPG Life Sciences Ltd., Hincan Finance Ltd., Hincan Technoconsult Ltd., Hincan Holdings Ltd., HCC Real Estate Ltd., HCC Infrastructure Co. Ltd., HCC Construction Ltd., Lavasa Corporation Ltd. (Chairman), Western Securities Ltd., Charosa Wineries Ltd and Highbar Technologies Ltd. He is also Chairman of Board of Governance, National Institute of Construction Management And Research and the Chairman of Walchand College of Engineering, Sangli.
- He is Member of Shareholders / Investors Grievance Committee of the Company and M/s. Hindustan Construction Co. Ltd. He is Chairman of Audit Committee of M/s. Charosa Wineries Ltd. and Member of M/s. Bajaj Electricals Ltd. He is also Member of Remuneration Committee of M/s. Bajaj Electricals Ltd.
- Mr. Ajit Gulabchand holds 19,415 Shares of the Company.
- ii) Mr. N. Balakrishnan (74) is associated with the Company as Director since 1998. He has retired from Life Insurance Corporation of India after serving as an Executive Director. He is Chairman of the Remuneration Committee & Member of the Shareholders / Investors Grievance Committee of the Company.
- Mr. N. Balakrishnan does not hold any Shares of the Company.
- iii) Mr. Vijay Kumar Jatia (54) is associated with the Company as Director since 2001. He has over 38 years of experience in the industry. He is Chairman & Managing Director of Modern



## NOTICE

India Ltd. He is also a Director on Board of Shree Rani Sati Investment & Finance Ltd. (Chairman), Sarat Leasing & Finance Ltd., F. Pudmjee Investment Co. Ltd. and Modern India Property Developers Ltd. (Subsidiary of Public Company)

He is a Member of the Remuneration Committee and Audit Committee of the Company. He is also a Member of the Shareholders / Investors Grievance Committee of M/s. Modern India Ltd.

Mr. Vijay Kumar Jatia holds 830 Shares of the Company.

- iv) Mr. Mayur R. Doshi (33) is graduate in Electronic Engineering from Mumbai University and holds Masters Degree in Computer Science from University of Southern California, Los Angeles, USA. Before joining the Company in 2007, he was working in Siebel Systems and Oracle Corporation, San Francisco, USA for 2 ½ years. Mr. Mayur R Doshi was appointed as General Manager of the Company w.e.f. 3rd December, 2007. He was promoted as Vice-President w.e.f. 1st November 2011. He has been responsible for Company's business in Maharashtra, Gujarat & Karnataka and heading R & D division. He is instrumental in setting up and implementing ERP modules for the Company.

He is Director on the Board of M/s. IHP Finvest Ltd.

Mr. Mayur R. Doshi holds 86,035 Shares of the Company. Mr. Mayur R. Doshi is son of Mr. Rajas R. Doshi, Chairman & Managing Director and Mrs Jyoti R. Doshi, Director of the Company.

- v) Mr. Rajas R. Doshi, Chairman & Managing Director (60) is a graduate in Civil Engineering from Shivaji University. He joined Hindustan Construction Co. Ltd. (HCC) in 1975 and worked in HCC for 5 years and joined the Company in 1981 as Senior Executive at Wadala factory. Thereafter he served the Company in the capacities of Chief Engineer, General Manager and was appointed Joint Managing Director on 1st July, 1988. He was appointed as Chairman & Managing Director on 14th April, 1994.

He is also on the Boards of following companies :

1. Hindustan Construction Co. Ltd.
  2. IHP Finvest Ltd.
  3. Modern India Ltd.
  4. Raj Jyoti Trading & Investment Pvt. Ltd.
  5. Mobile Systems India Pvt. Ltd.
  6. Ratanchand Investment Pvt. Ltd.
  7. Ratanchand Hirachand Foundation
  8. Walchand Hirachand Foundation
  9. Smt. Pramila Shantilal Shah Charity Foundation
  10. Prestressed Concrete Pipe Manufacturers Association of India
- } Companies under Section 25 of the Companies Act, 1956

He is also associated with a Charitable Institution. He is member of Shareholders' / Investors' Grievance Committee of the Company. Further he is Chairman of Remuneration Committee and Shareholders' / Investors' Grievance Committee of Modern India Ltd. and member of Audit Committee. He is also member of Audit Committee and Shareholders' / Investors' Grievance Committee of HCC.

Mr. Rajas R. Doshi holds 2,04,575 Shares of the Company.

Mrs. Jyoti R. Doshi, a Director is wife of Mr. Rajas R. Doshi.

Mr. Mayur R. Doshi, Executive Director is son of Mr. Rajas R. Doshi.

- (g) Transfer to Investor Education & Protection Fund :

i) In terms of the provisions of Section 205A read together with Section 205C of the Companies Act, 1956, unpaid and unclaimed dividend for the financial year ended 31st March, 2004 and interim dividend for the financial year ended 31st March, 2005 had been transferred by the Company to the Investor Education & Protection Fund (IEPF) established by the Central Government under Section 205C of the Act.

ii) It may be noted that pursuant to the provisions of above mentioned section, the amount of dividend which has remained unclaimed and unpaid for a period of 7 years from the date when it became due for payment is required to be transferred to the IEPF constituted by the Central Govt.

Accordingly, the amount of final dividend for the financial year 2004-05 which remain unclaimed and unpaid as aforesaid shall be due for transfer to the IEPF on 03-09-2012 and no claim shall lie against the IEPF or the Company in respect of such amounts. We therefore request the members who have not yet encashed their dividend warrants for the financial year 2004-05 and onwards to write to the Company claiming dividends declared by the Company for the said financial years.

- iii) It may be noted that unpaid dividend for the following financial year is due for transfer to IEPF on the following respective due dates :

Financial year	Date of declaration of Dividend	Date of Payment of Dividend	Due date of transfer to IEPF
2004-05	29-07-2005	04-08-2005	03-09-2012
2005-06	31-07-2006	07-08-2006	05-09-2013
2006-07	30-07-2007	07-08-2007	04-09-2014
2007-08	30-07-2008	06-08-2008	04-09-2015
2008-09	27-07-2009	01-08-2009	01-09-2016
2009-10	29-07-2010	01-08-2010	01-09-2017
2010-11	27-07-2011	01-08-2011	01-09-2018

- (h) As per the provisions of the Companies Act, 1956, facility for making nomination is now available. Nomination forms in this respect can be obtained from the Secretarial Department of the Company or Registrar & Share Transfer Agent of the Company, M/s. Link Intime India Pvt. Ltd.

(i) Members are requested to immediately notify change in their registered address, if any, to the Secretarial Department of the Company or Registrar & Share Transfer Agent of the Company, M/s. Link Intime India Pvt. Ltd., for shares held in physical mode. For shares held by the Members in demat mode they are requested to immediately notify change in their registered address, if any, to their respective Depository Participant.

(j) Members are requested to bring copy of the Annual Report at the time of attending the Annual General Meeting.

(k) Members / Proxy-holders are requested to produce Admission Slip forwarded to them, duly completed and signed, at the entrance of the Hall for admission to the Meeting Hall.

# NOTICE

## EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956

### Item No.7 & 8 :

The Board of Directors on the recommendation of Remuneration Committee at their meeting held on 28th May, 2012 have appointed Mr. Mayur R Doshi, Vice President as an Additional Director pursuant to the provisions of Section 260 of the Companies Act 1956. He holds office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Mayur R Doshi for the office of Director.

Further the Board on the recommendation of the Remuneration Committee has appointed Mr. Mayur R. Doshi, Director as an Executive Director of the Company with effect from 28th May, 2012 to 31st March, 2016 subject to the approval of the Shareholders at the ensuing Annual General Meeting.

Mr. Mayur R. Doshi (33) is a graduate in Electronics Engineering from Mumbai University and holds Masters Degree in Computer Science from University of Southern California, Los Angeles, USA. Before joining the Company in 2007, he was working in Siebel Systems and Oracle Corporation, San Francisco, USA for 2 ½ years. Mr. Mayur R Doshi was appointed as General Manager of the Company w.e.f.3rd December, 2007. He was promoted as Vice-President w.e.f.1st November 2011. He has been responsible for Company's business in Maharashtra, Gujarat & Karnataka and heading R & D division. He is instrumental in setting up and implementing ERP modules for the Company.

The terms and conditions of the appointment and remuneration are as under:

A. Name and Designation : Mr. Mayur R. Doshi, Executive Director.

B. Period : From 28th May, 2012 to 31st March, 2016

C. Remuneration :

#### Salary

(i) Rs. 2,00,000/- per month

(in the scale of Rs. 2,00,000 - 30,000 - 2,60,000 - 40,000 - 3,40,000)

(ii) Perquisites & Allowances

In addition to the salary and commission payable, the Executive Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowances @ 60% of the salary, reimbursement of actual medical expenses incurred in India and / or abroad for himself and his family including hospitalization, payment of insurance premium towards domestic medical insurance policy and reimbursement of expenses for utilities such as gas, electricity, water, furnishing, repairs and other allowances, fees of clubs including admission / entry fees, personal accident insurance and leave travel allowance for self and his family and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Remuneration Committee and Board of Directors and the Executive Director from time to time. However, such perquisites and allowances will be subject to maximum of 125% of the annual salary.

For the purpose of calculating the above ceiling, perquisites and other allowances shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- (a) The Company shall provide Company maintained car with driver / reimbursement expenses of driver for use by the Executive Director and shall also provide at his residence telephones (including payment for local calls and long distance official calls), reimbursement of Mobile phones expenses & outgoings, telefax and other communication facilities. These provisions shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- (b) The Executive Director will be entitled for privilege leave on full pay and allowances and / or encashment thereof as per the rules of the Company.
- (c) The following perquisites shall not be included in the computation of ceiling on remuneration specified above:
  - i) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income-Tax Act;
  - ii) Gratuity payable as per the rules of the Company.
  - iii) Encashment of leave at the end of the tenure.

#### D. Commission

The Executive Director will be paid a Commission of 1%, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Remuneration Committee and Board of Directors of the Company at the end of each financial year, subject to the overall ceiling stipulated in Sections 198 and 309 of the Companies Act, 1956.

#### E. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and allowances as specified above, as per relevant applicable provisions of law including Schedule XIII of the Companies Act, 1956.

The draft Agreement between Mr. Mayur R. Doshi and the Company is available for inspection to the Members at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. up to the date of the 86th Annual General Meeting of the Company.

Your Directors consider Mr. Mayur R. Doshi eminently suitable for appointment as Executive Director of the Company and recommends above resolutions for your approval.

Mr. Mayur R. Doshi is interested in the resolutions. Mr. Mayur R. Doshi is son of Mr. Rajas R Doshi, Chairman & Managing Director and Mrs. Jyoti R. Doshi, Director of the Company and they are concerned and interested in the resolutions at item No.7 & 8.

No other Director is concerned or interested in the said Resolutions.

### Item No.9 :

The members had, at the Annual General Meeting of the Company held on 30th July, 2008, approved reappointment of Mr. Rajas R. Doshi as the Managing Director designated as Chairman & Managing Director of the



## NOTICE

Company and approved the terms of remuneration, for a period of 5 years with effect from 1st July, 2008 to 30th June, 2013.

The aforesaid resolution and the accompanying explanatory statement approved by the Members, inter-alia, stated that if the Company has no profits or its profits are inadequate in any financial year, during the currency of their tenure, the Company shall pay, minimum remuneration to the Chairman & Managing Director, as per relevant applicable provisions of law including provisions as contained in Schedule XIII to the Companies Act, 1956, ("the Act") including any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules or regulations framed there under.

The present financial performance of the Company reflects the difficult economic and business environment. As a consequence of certain unexpected developments which were beyond the control of management, mainly due to slow down of the economy, the expected cash flows have not materialized for the Company. Further there was uncertainty on the policy front. This has resulted in poor order inflow and drop in turnover growth. There were no business activities of the Company in Tamilnadu due to recent assembly election in that State. Further there were delays in settlement of trade collections and thereby resulted in increased borrowings & high interest cost. Due to spiraling effect of inflation, the costs of materials and labour have gone up. As a consequence, the Company has witnessed decline in turnover and operating margins and increase in interest, material and labour costs which has affected the performance of your Company. For the financial year 2011-12 the Company has earned inadequate profits for the first time.

The Remuneration Committee and the Board of Directors at their meetings held on 31st January, 2012 had approved payment of remuneration considering the rich experience and valuable contribution of the Chairman & Managing Director and it would be reasonable, fit and justified to approve the remuneration payable to Mr. Rajas R. Doshi, Chairman & Managing Director of the Company for the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 as specified in the resolution under Item No.9 as minimum remuneration, which is within the limits approved by the Members at the Annual General Meeting dated 30th July, 2008, subject to necessary compliances with the requirements of the Act.

In accordance with Sub-paragraph (C) of Paragraph (1) of Section II of Part II of Schedule XIII to the Companies Act, where in any financial year during the currency of the tenure of the managerial person, a Company has no profits or its profits are inadequate, it may pay remuneration, upon compliance with the conditions stated thereunder including seeking approval from the Shareholders by way of a Special Resolution for the payment of remuneration for a period not exceeding three years subject to approval of the Central Government.

As the payment of minimum remuneration to Mr. Rajas R. Doshi, Chairman & Managing Director for the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 exceeds/may exceed the ceiling limit laid down in Sections 198,309 read with Schedule XIII to the Act, Shareholders approval vide Special Resolution is sought for the said proposal, subject to approval of the Central Government.

In terms of the requirements as per sub-clause (iv) of the proviso to Sub-paragraph (C) of Paragraph (1) of Section II of Part II of Schedule XIII to the Act, the information is furnished below:

### I. GENERAL INFORMATION :

- |     |   |   |                        |
|-----|---|---|------------------------|
| (1) | Nature of Industry  | : | Construction and pipes |
| (2) | Date of Commencement of Commercial Production   | : | Not applicable         |
| (3) | In case of new companies, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus | : | Not applicable         |
| (4) | Financial Performance :   |   |                        |
|     | Financial Parameters of the Company for the last five financial years:  |   |                        |

(₹ in Lacs)

Sr. No.	Particulars	Financial Year				
		2007-08	2008-09	2009-10	2010-11	2011-12
1	Paid-up Capital	484.47	484.47	484.47	484.47	484.47
2	Reserves and Surplus	13957.80	16006.88	18297.37	20531.26	21560.56
3	Turnover / Revenue from operations	45180.13	66534.80	67564.54	64852.90	51716.92
4	Net profit as per Sec 198 (read with Section 349) of the Companies Act, 1956)	2372.61	3527.60	5315.93	4429.30	1015.20
5	Amount of Dividend Paid	339.13	411.80	484.47	484.47	484.47*
6	Rate of Dividend Declared	70%	85%	100%	100%	100%*

\* Proposed.

- (5) Export performance and net foreign exchange collaborations

The Company has been in the business of manufacturing, laying and jointing of pipelines of various pipe materials such as RCC pipes, Steel pipes, Prestressed Concrete pipes, Penstock pipes, Bar Wrapped Steel Cylinder pipes (BWSC), Prestressed Concrete Cylinder pipes (PCCP) etc., which provide infrastructure facility and development for drinking

water supply projects, irrigation projects, Hydro Electric Projects, Sanitation and Sewerage Systems. The Company caters to the domestic markets mainly States, Central Government, Municipal Corporations and their agencies. There were no exports during the year 2011-12. The Company has no foreign collaboration.

## NOTICE

- (6) Foreign investments or collaborators, if any

The total equity shares held by Non-Resident Indians is 51,295 of ₹ 2/- which constitutes 0.21% of the paid up equity share capital of the Company.

### II. INFORMATION ABOUT THE APPOINTEE:

#### (1) Background details of Mr. Rajas R. Doshi :

Mr. Rajas R. Doshi is B.E.Civil aged 60 years. He has over 3 decades of experience in the construction and pipes business. He joined Hindustan Construction Co. Ltd as Management Trainee in 1975 and worked at their construction sites for 5 years. In the year 1981, he joined The Indian Hume Pipe Co. Ltd. as Sr. Executive at its Wadala factory. Thereafter he held several posts in the Company viz Chief Engineer, General Manager and promoted as Joint Managing Director on 1st July, 1988. He was appointed as Chairman & Managing Director of the Company on 14th April, 1994 and continues as Chairman & Managing Director. His present tenure of re-appointment as Chairman & Managing Director of the Company was approved by the Shareholders at the AGM held on 30th July, 2008 for a period of five years with effect from 1st July, 2008 to 30th June, 2013.

#### (2) Past Remuneration paid to Mr. Rajas R. Doshi :

The remuneration paid to Chairman & Managing Director in the three financial years i.e. 2008-09, 2009-10 & 2010-11 are as given below:

( ₹ in Lacs)

Period		Salary, Perquisites and Allowance	Company's Contribution to funds	Commission	Total per annum
01-04-2008	31-03-2009	65.87	10.33	100.18	176.38
01-04-2009	31-03-2010	79.97	12.55	173.28	265.80
01-04-2010	31-03-2011	90.46	14.18	116.83	221.47

#### (3) Recognition / Awards

The Company was selected by Forbes Asia Magazine as one of the 200 "Best under a Billion" Companies in Asia in their October, 31st 2005 issue. "Best under a Billion" is an annual listing in Forbes Asia featuring 200 of Asia's best small enterprises with revenue under US\$1 billion a year, as well as latest-year market momentum. One of the important criteria of the selection is Company's past track records of rewarding the shareholders with payment of good dividend.

In recognition of this achievement the Company was given an award by the Forbes Magazine at the award function held on 10th November, 2005 at Singapore received by Mr. Rajas R. Doshi our Chairman & Managing Director.

Further the Company was felicitated for the commendable performance in completion of the project Dr. Y.S.R. Anantapur Drinking Water Supply Scheme by the Government of Andhra Pradesh.

#### (4) Job Profile and Suitability:

Mr. Rajas R. Doshi (60) is the Chairman & Managing Director of our Company having more than 3 decades of rich experience in construction and pipes industry. He functions under the control, superintendence and direction of the Board of Directors. The Company has immensely benefited under the leadership and stewardship of Mr. Rajas R. Doshi as Joint Managing Director and currently as Chairman & Managing Director of the Company, since April, 1994 and had consistently increased its turnover, profitability and earned adequate profits and paid good and handsome dividends including special interim dividend to the Shareholders of the Company. The Company has achieved greater heights, introduced newer products, expanded / modernised its factories, secured large orders as well as awards and recognitions from the Government departments and its business has expanded manifold across the country. Since the financial year 1950-51 the Company had consistently earned adequate profits. It had also consistently paid good and handsome dividends including special interim dividends to the Shareholders since the financial years 1950-51 as well as given Bonus shares to the Shareholders.

In these tough times, it is imperative that the Company's growth strategy continues under the continued guidance and leadership of Mr. Rajas R. Doshi with whose rich experience and valuable contribution, the Company remains reinforced to strive through the challenging times and bounce back on the growth chart.

#### (5) Remuneration paid/proposed to Mr. Rajas R. Doshi :

Details of the total remuneration comprising inter-alia, Salary and Perquisites and Allowances together with Retirals and other benefits / perquisites which is paid / proposed during the remaining tenure of Mr. Rajas R. Doshi, Chairman & Managing Director i.e. of the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 have been full set out in the resolution at item No.9.

#### (6) Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person:

Considering that Mr. Rajas R. Doshi, Chairman & Managing Director of the Company has strived hard to place the Company in a prominent position and in turning the Company to one of the competent engineering and construction player and pioneer in infrastructure development, his role and contribution to the Company which has ensured the long term survival and prosperity of our Company and thus the Remuneration Committee and Board of Directors felt that the remuneration proposed to him is reasonable and justified compared to the industry benchmarks.

In view of the above and considering the size of industry in which the Company operates, the challenging and competitive business environment, the size of the Company, the business acumen and dynamism expected in discharging the role of the Chairman & Managing Director, it is utmost befitting that Mr. Rajas R. Doshi continues as the Chairman & Managing Director of the Company considering his competence and invigorating leadership provided to the Company for over 3 decades which has resulted in sustained growth for the Company. Accordingly the Remuneration Committee and the



## NOTICE

Board of Directors had approved the remuneration proposed at resolution No.9. The proposed remuneration is commensurate to prevailing levels in the industry and thereby reasonable and justified for payment to him.

**(7) Pecuniary relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:**

Mr Rajas R. Doshi, Chairman & Managing Director does not have pecuniary relationship directly or indirectly with the Company or with any managerial personnel beside the remuneration as set out in item No.9 and except to the extent of the Promoter shareholdings in the equity share capital of the Company. Mr. Rajas R. Doshi, Chairman & Managing Director is related to Mrs. Jyoti R. Doshi, Director of the Company being his wife and Mr. Mayur R. Doshi, Executive Director of the Company, being his son.

### III. OTHER INFORMATION :

**(1) Reasons for loss or inadequate profit**

The financial performance of the Company during the financial year 2011-12 reflects the difficult economic and business environment. As a consequence of certain unexpected economic developments which were beyond the control of management, mainly due to slow down of the economy, the expected cash flows have not materialized for the Company. Further there was uncertainty on the policy front. This has resulted in poor order inflow and drop in turnover growth. There were no business activities of the Company in Tamilnadu due to recent assembly election in that State. Further there were delays in settlement of trade collections and thereby resulted in increased borrowings & high interest cost. Due to spiraling effect of inflation, the costs of materials and labour have gone up. As a consequence, the Company has witnessed decline in turnover and operating margins and increase in interest, material and labour costs which has affected the performance of your Company. Consequently for the financial year 2011-12 the Company has earned inadequate profits for the first time since 1991-92.

#### Overview of the Company

The Indian Hume Pipe Company Limited is one of the oldest infrastructure development Companies in existence for over eight decades in business and among the pioneer engineering and construction in India. IHP was founded by Seth Walchand Hirachand in the year 1926 and continues to complete projects of national interest with a track record of best management practices, excellent quality and timely execution and as preferred contractor to Central and State Authorities. IHP is a well known and reputed infrastructure development Company operating across the country.

#### Financial Performance of the Company from 1991-92 to 2011-12 :

The financial performance of the Company during the tenure of Mr. Rajas R. Doshi as Joint Managing Director w.e.f.1st July, 1988 to 13th April, 1994 and currently as Chairman & Managing Director w.e.f.14th April, 1994 is as under :

Financial Year	Income from Operations (₹ in Lacs)	Net Profit (₹ in Lacs)	Reserves & Surplus (₹ in Lacs)	Dividend on Equity Shares %	Remarks
1991-92	8209.35	58.74	991.84	15.00	For 18 months period
1992-93	4503.52	123.15	1086.34	15.00	For 6 months period
1993-94	7651.09	160.06	1177.08	18.00	

#### Key concerns for the construction sector

Currently the construction industry is witnessing sluggish growth temporarily due to economic and policy concerns. At the same time, the economy has been witnessing high inflation cycle resulting into high interest costs and commodity prices. The key economic and policy concerns being faced by the Industry include :

- Interest rates: High interest rates have impacted the growth in infrastructure investments, especially from the private segment. Currently, with interest rates at their peak, further capital investment decisions are getting deferred. This may affect the growth of construction industry;
- High Inflation Prices: With a considerable rise in commodity prices (steel, cement etc.), labour cost and other input costs over the last few quarters on account of high inflation, profit margin for construction business has decreased. Though most of the contracts have provision for variation in commodity prices, the price variations are to be claimed separately as per respective contracts. Realization of claims can be a time consuming process finally resulting into cash flow mismatch;
- Competition: Increase in competition due to low entry barriers and large number of players has resulted in under quoting of bid prices and has adversely impacted the margins further in addition to high interest rates and commodity prices;
- Working Capital Cycle: High inflation (hovering around 9%) is one of the major reasons for the slack period in the Indian construction industry. Working capital cycles have increased for most companies in the last year due to sluggish demand, slow realization of revenues from execution and delays in execution due to non availability of funds, land acquisition and environmental clearances.

There has been a considerable slow down in new project announcements, actual commencement of projects and completion, as the infrastructure sector continues to struggle with clearances and lack of regulatory push.

Additionally, there has been a sharp jump in stalled and shelved projects while project completion continues to slow down due to macroeconomic headwinds, fuel supply issues, policy hurdles, delays relating to land acquisition & environmental clearances and high interest costs, which have all taken a toll on new order allocations. (Source: Citigroup Global Markets Report on India Infrastructure, November 2011)

## NOTICE

Financial Year	Income from Operations (₹ in Lacs)	Net Profit (₹ in Lacs)	Reserves & Surplus (₹ in Lacs)	Dividend on Equity Shares %	Remarks
1994-95	8805.39	310.56	1445.15	20.00	
1995-96	7397.47	866.00	2214.26	20.00	+5% Seventieth Anniversary Dividend
1996-97	7397.00	293.24	2422.23	20.00	
1997-98	9224.05	364.42	2692.85	22.00	
1998-99	10027.52	353.48	2947.38	23.00	
1999-2000	10868.18	380.46	3228.90	23.00	
2000-01	10835.22	530.41	3631.17	25.00	+5% (Platinum Jubilee Dividend)
2001-02	11520.83	921.68	4246.98	30.00	
2002-03	14143.71	1160.94	5276.75	40.00	
2003-04	17207.62	5075.35	8950.91	50.00	+200% (Special Interim Dividend)
2004-05	21040.25	2535.71	10991.86	50.00	+100% (Special Interim Dividend)
2005-06	25608.72	972.27	11521.75	40.00	+5% (Eightieth Anniversary Dividend) & Bonus 2:3
2006-07	36280.18	1671.12	12852.79	60.00	
2007-08	45180.13	1501.76	13957.80	70.00	
2008-09	66534.80	2530.89	16006.88	85.00	
2009-10	67564.54	2857.30	18297.37	100.00	
2010-11	64852.90	2796.95	20531.26	100.00	
2011-12	51716.92	1592.35	21560.56	* 100.00	

\* Proposed

### (2) Steps taken or proposed to be taken for improvement

The Company has taken a view of all these factors seriously and to overcome the above challenges, the Company has proactively undertaken following steps directed at improving its operational efficiencies:

- **Securing more orders** : More efforts are put in for securing more orders and adding new territories for increasing turnover.
- **Reduction in Working Capital:** More efforts are put in for realising outstanding bills from Government Departments. Selling pipes to private parties under Letters of Credit with adequate advances. Better credit terms with suppliers being negotiated.
- **Cost control** : Persistent efforts are being made by the Company to control costs at all levels and improve productivity in plants.

### (3) Expected increase in productivity and profits in measurable terms:

Although the turnover growth has remained inadequate in financial year 2011-12, the situation is expected to improve in the financial year 2012-13 with expectations of improvement in macroeconomic conditions. In the financial year 2012-13 the Company is hopeful of securing orders of sizeable amounts. Further it is expected that the steps taken by the Company for improving operational parameters wherever feasible would show signs of improvement. Consequently, the Company expects to see an improvement in cash flows due to tighter working capital cycle and realization of outstandings in the financial year 2013-14 onwards and expects to maintain healthy margins thereafter.

From the facts and position explained in the preceding paragraphs, it would be kindly seen and appreciated that the situation of inadequacy in profits faced by the Company has been due to macro economic factors and reasons beyond the control of management.

As mentioned above, the management is taking special efforts to make the Company turnaround. It is expected that the effect of the renewed vigour and efforts are likely to yield results from the financial year 2013-14 onwards.

### IV DISCLOSURES:

The shareholders of the Company have been informed of the remuneration package of Mr. Rajas R. Doshi, Chairman & Managing Director of the Company in the resolution at Item No.9 in the following manner:

- (1) Details of the total remuneration comprising, inter-alia, Salary and Perquisites and Allowances together with Retirals and other benefits/perquisites which is paid/proposed during the remainder tenure for Mr. Rajas R. Doshi, Chairman & Managing Director i.e. for the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 have been fully set out in the resolution at Item No.9.
- (2) Disclosures on remuneration package to Executive Directors and Non-Executive Directors of the Company have been made in the Corporate Governance Report which forms a part of the Report of the Board of Directors in the Annual Report of the Company for financial year 2011-12.

The Company has made application to the Central Government for its approval for the payment of aforesaid remuneration as stated under resolution No.9 and the necessary approval is awaited.

As mentioned earlier, since the payment of aforementioned remuneration set out under resolution No.9 as Minimum Remuneration to Chairman & Managing Director exceeds / may exceed the ceiling limit for minimum remuneration laid down in Sections 198, 309 read with Schedule XIII of the Act and to comply with the requirement, the Shareholders approval is



## NOTICE

sought by way of a special resolution for payment of the aforesaid minimum remuneration for the financial years as specified in the resolution at Item No.9 in accordance with Schedule XIII of the Act subject to approval of the Central Government.

During the financial years 2012-13 and for the remainder of his term up to 30th June, 2013, if there are adequate profits then the Company will pay the aforesaid remuneration and the profit commission to Mr. Rajas R. Doshi, Chairman & Managing Director of the Company within the overall ceilings stipulated in Section 198 and 309 of the Companies Act, 1956 as approved by the Shareholders at the Annual General Meeting held on 30th July, 2008 while re-appointing him for a period of 5 years from 1st July, 2008 to 30th June, 2013.

The Board of Directors of the Company felt that considering the rich experience and valuable contribution of Mr. Rajas R. Doshi, Chairman & Managing Director to the sustained growth of the Company from time to time and considering the vast responsibilities shouldered by him and the industry benchmarks, the aforementioned remuneration structure of Mr. Rajas R. Doshi, Chairman & Managing Director is commensurate with the remuneration package paid to similarly placed persons, in other Companies in the same Industry and therefore recommend the special resolution at Item No.9 of the accompanying notice for your approval.

Mr. Rajas R. Doshi, Chairman & Managing Director of the Company, Mrs. Jyoti R. Doshi, Director being wife of Mr. Rajas R. Doshi, Chairman & Managing Director and Mr. Mayur R. Doshi, Executive Director, being their son are concerned and interested in the resolution.

No other Directors are concerned or interested in the above Resolution at item No.9

Your Directors recommend the above Special Resolution for your approval.

### Item No.10 :

The members had, at the Annual General Meeting of the Company held on 30th July, 2008, approved the reappointment of Mr. Rajas R. Doshi as the Managing Director designated as Chairman & Managing Director of the Company and approved the terms of remuneration, for a period of 5 years with effect from 1st July, 2008 to 30th June, 2013.

The aforesaid resolution and the accompanying explanatory statement approved by the Members, inter-alia, stated that if the Company has no profits or its profits are inadequate in any financial year, during the currency of their tenure, the Company shall pay, minimum remuneration to the Chairman & Managing Director, as per relevant applicable provisions of law including provisions as contained in Schedule XIII to the Companies Act, 1956, ("the Act") including any amendments thereto or any modifications or statutory re-enactment thereof and/or any rules or regulations framed there under.

The financial performance of the Company during the financial year 2011-12 reflects the difficult economic and business environment. As a consequence of certain unexpected developments which were beyond the control of management, mainly due to slow down of the economy, the expected cash flows have not materialized for the Company. Further there was uncertainty on the policy front. This has resulted in poor order inflow and drop in turnover growth. There were no business activities of the Company in Tamilnadu due to recent assembly election in that State. Further there were delays in settlement of trade collections and thereby resulted in increased borrowings & high interest cost. Due to spiraling effect of inflation, the costs of materials and labour have gone up. As a consequence, the Company has witnessed decline in turnover and operating margins and increase in

interest, material and labour costs which has affected the performance of your Company. Consequently for the financial year 2011-12 the Company has earned inadequate profits for the first time since 1991-92.

During the financial year 2011-12, the profit u/s 349 of the Companies Act, 1956 which is considered for payment of managerial remuneration (excluding profit commission) @5% is inadequate as per the scales approved by the Shareholders on time scale basis in the Annual General Meeting held on 30th July, 2008.

In the light of above the Remuneration Committee and the Board of Directors at their meetings held on 28th May, 2012 have recommended waiver of excess managerial remuneration of ₹ 68,99,977.03 out of the total managerial remuneration (excluding profit commission) of ₹ 1,19,76,121.50 paid to Mr. Rajas R. Doshi, Chairman & Managing Director of the Company for the financial year 2011-12.

Mr. Rajas R. Doshi, Chairman & Managing Director of the Company, Mrs. Jyoti R. Doshi, Director being wife of Mr. Rajas R. Doshi, Chairman & Managing Director and Mr. Mayur R. Doshi, Executive Director, being their son are concerned and interested in the resolution.

No other Directors are concerned or interested in the above Resolution at item No.10.

Your Directors recommend the above Special Resolution for your approval.

### Item No.11 :

The Non Executive Directors are paid remuneration by way of commission on net profits of the Company not exceeding 1% of the net profits or ₹ 16 Lacs in aggregate whichever is less per financial year, for a period of 3 years from the financial year 2009-10 to 2011-12, in pursuance of the resolution u/s 198 and 309 of the Companies Act, 1956 passed by the Members at the Annual General Meeting held on 27th July, 2009. In addition to the commission on net profits, the Non Executive Directors are entitled to sitting fees for each meeting of the Board or Committees thereof attended by them.

In pursuance of the Members authorisation a commission of ₹ 2,28,571/- was paid equally to each Non Executive Director of the Company aggregating to ₹ 15,99,997/- for financial year 2009-10 & 2010-11. The commission for the financial year 2011-12 amounting to ₹ 1,26,875/- aggregating to ₹ 10,15,000/- will be paid equally to all the Non Executive Directors of the Company.

Considering increase in the Company's operations and time devoted and responsibilities shouldered by the Non Executive Directors, it is proposed to continue payment of commission, under Section 198 and 309 of the Companies Act, 1956, not exceeding 1% of net profits of the Company or an amount not exceeding ₹ 24 Lacs in aggregate, whichever is less, per financial year, for a further period of 3 years commencing from the financial year 2012-13 to 2014-15 in terms of the Special resolution at item No.11.

Your Directors recommend the above Special Resolution at item No.11 for your approval.

All the Directors are deemed to be concerned or interested in this Special Resolution.

### Item No.12 :

In the Annual General Meeting held on 27th July, 2011, the Members had appointed M/s. Brahmayya & Co., Chartered Accountants as Branch Auditors for the financial year 2011-12 for the State of Andhra Pradesh.

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The Board of Directors in their meeting held on 28th May, 2012 has recommended the re-appointment of M/s. Brahmayya & Co., Chartered Accountants to carry out the Branch Audit in the State of Andhra Pradesh for the financial year 2012-13 commencing from 1st April, 2012 at a remuneration to be decided by the Board of Directors in consultation with Branch Auditors plus out of pocket expenses as may be incurred by them. The Branch Auditors will carry out the Branch Audit, Limited Review, Tax Audit and prepare a report on examination of the accounts of the Company's Factories, Projects and Project Offices in the State of Andhra Pradesh and forward their report to the Company's Statutory Auditor, who shall in preparing the Auditors' Report, deal with the same in such manner as they may consider fit and proper.

Further the Members consent is also sought for appointment of Branch Auditors u/s 228 of the Companies Act, 1956, in other State(s), if required, on such terms & conditions, as the Board of Directors may deem fit.

None of the Directors of the Company is concerned or interested in this Resolution at item No.12.

Your Directors recommend the above resolution for your approval.

By Order of the Board of Directors,

**S. M. Mandke**  
Company Secretary

**Registered Office:**

Construction House, 2nd floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date : 28<sup>th</sup> May, 2012

### Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notices / documents including Annual Reports etc. can be sent by e-mail to its members.

**To support this Green Initiative of the Government in full measure, the members are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.**

**Members who hold shares in physical form are requested to register their e-mail addresses with M/s. Link Intime India Pvt. Ltd., Registrar & Transfer Agent for receiving by email notices / documents including Annual Reports etc. from the Company.**

**The Company therefore solicit the support of Shareholders to register their email addresses with the Company by posting enclosed form in the pre-paid envelope. Postage will be paid by the Company. Alternatively Shareholders are requested to email us the information as per enclosed form on designated email id [indianhumeogreen@linkintime.co.in](mailto:indianhumeogreen@linkintime.co.in) mentioning demat account number / folio number and enclosing scanned copy of cancelled blank cheque of their Bank account for registering Bank mandate with us.**

**Continuing the Green Initiative this Annual Report is printed on recycle papers except the cover and back page.**



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## 1. INDUSTRY STRUCTURE & DEVELOPMENT:

We all know that water is a prime natural resource and a basic human need for survival and existence. Indeed water is fundamental to our life. In view of the vital importance of water for human, animal & plant life, for maintaining ecological balance and for economic and developmental activities of all kinds and considering its increasing scarcity, the planning and management of this resource and its optimal economical and equitable use has become a matter of national importance.

Your Company has been in the business of manufacturing, laying and jointing of pipelines of various pipe materials such as RCC pipes, Steel pipes, Prestressed Concrete pipes, Penstock pipes, Bar Wrapped Steel Cylinder pipes (BWSC), Prestressed Concrete Cylinder pipes (PCCP) etc., which provide infrastructure facility and development for drinking water supply projects, irrigation projects, Hydro Electric Projects, Sanitation and Sewerage Systems. For over a decade as a part of nation building, your Company has also been undertaking infrastructure development programmes by way of executing on turnkey basis the combined water supply projects i.e. undertaking the complete job of water supply from source to distribution centers which apart from manufacturing, laying and jointing of pipelines included construction of intake wells, water sumps, water treatment plants, water pumping stations, installation of pumping machineries, electro-mechanical works, branch mains, ground level reservoirs, elevated reservoirs, leading to executions of complete systems for water supply to various towns and villages of India.

## 2. OPPORTUNITIES AND THREAT:

The population of the country is expected to reach a level of around 139 Crores by year 2025 (Source :- National Water Policy 2002) which will further aggravate the scarcity of water to the people of India. As it is with the growing population demanding more food, more products and higher standards of living, the shortage of drinking water can only get worse. Thus there is a vast scope for improvement in Infrastructural developmental activities in water supply, drainage schemes and sewerage schemes in sanitation segments leading to good scope for Company's manufacturing & contracting activities in this field.

Growth of population and the expansion of economic activities inevitably lead to increasing demands for water for diverse purposes i.e. domestic, industrial, agricultural, hydro-power, thermal power, navigation, recreation etc. Domestic and Industrial water needs have been largely concentrated in or around major cities, however the demand in rural areas is expected to increase sharply as the development programmes of State Governments to improve the economic conditions of the rural mass. Demand for water for hydro and thermal power generation and for other industrial uses is also increasing substantially. As a result water which is already scarce will become even scarier in future. This underscores the need for the utmost efficiency in water utilisation and its distribution. Through awareness of efficient water supply system and water quality, we can keep our water supply adequate and provide clean & healthy water for our children. It is their fundamental right. Hence there is a good scope for many water supply projects coming up in near future and this auger well for your Company.

Increased competition from medium/large scale construction entities and availability of substitutes such as alternative pipe materials like ductile iron pipes, spirally welded steel pipes, G.R.P. and

H.D.P.E. pipes are perceived as one of the threat / competition to your Company. Another cause is prices of key raw materials namely steel, steel wires, HT wires and cement, which has remained volatile and uncertain for last two years.

## 3. SEGMENT-WISE ACTIVITY:

The Company is considered a pioneer in the field of water industry, it is in this line for last more than 85 years. The Company's presence is there in almost all water supply related activities, viz. Urban & Rural Water Supply, Penstock for Hydro Power Generation, Tunnel Lining, Large diameter Irrigation pipelines, Head Works including pumping machinery, Treatment Plants, Overhead Tanks and other allied Civil Construction. The Company also supplies Concrete Railway sleepers to Indian Railways. The segment wise report is as under:

### (A) WATER SUPPLY AND SEWERAGE PROJECTS:

#### (i) Some prominent Water Supply Projects successfully completed by your Company valued more than ₹ 1000 Lacs each during the year are:-

1. From The Superintending Engineer, Public Health Circle, Ananthapur for investigation, survey, design and execution of Rajampeta Water Supply Scheme with Annamayya Project as Source under UIDSSMT Scheme of the value of ₹ 3,885.87 Lacs.
2. From Shegaon Municipal Council, Shegaon for Shegaon Water Supply Scheme, consisting of 600mm & 500mm dia 49.055 Kms PCC Pipeline. Water treatment plant, ESR etc. We have also installed micro hydro power generator of 38.0 kw which is sufficient for operation of water treatment plant. This project is the longest PCC Pipeline project in India of the value of ₹ 3,327 Lacs.
3. From Superintending Engineer, Public Health Circle, Warangal for Warangal Water Supply Improvement Scheme under UIDSSMT - Construction of Jack well, providing MS raw water conduit to the earthen bund of Dharmasagar Reservoir by tunneling and jacking, MS/BWSC raw water gravity mains, DI / BWSC pumping mains and Railway crossing arrangements, Additional off-take arrangements on Kakatiya Canal, Raw water Pump Houses Souse in Warangal Municipal Corporation in Joint Venture with M/s. Nagarjuna Construction Co. Ltd. and M/s. Megha Infrastructure Ltd of the value of ₹ 18,540.12 Lacs. Our share is 15% i.e. 2,781 Lacs.
4. From The Superintending Engineer, Public Health Circle Nellore, Andhra Pradesh for Kandukur Water Supply Improvement Scheme with Ramathertham Balancing Reservoir as source under UIDSSMT for manufacture, supply, delivery, laying, jointing and testing of 800 mm dia PSC 10 KSC Gravity Main from Ramathertham Balance Reservoir to proposed SS Tank at Kandukur of the value of ₹ 2,636.57 Lacs.
5. From The Vice Chairman and Managing Director, Andhra Pradesh State Irrigation Development Corporation for Construction and Commissioning of turnkey basis and operation of the scheme for one year of Dondapadu Lift Irrigation Scheme on Krishna River near Dondapadu Village in Mellacheruvu, Mandal of Nalgonda District consisting of 1300 mm dia and 500 mm dia PSC Pipes, Intake well, Jack well cum Pump House, Electro Mechanical works etc. of the value of ₹ 2,110.53 Lacs.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT



VT Pump & Motors 1000 HP at Dondapadu LIS in A.P

6. From The Vice Chairman and Managing Director, Andhra Pradesh State Irrigation Development Corporation for Construction and Commissioning of Gundaipet Lift Irrigation Scheme on Wardha River in Kowthala Mandal of Adilabad District including operation of the Scheme for two years on turnkey basis consisting of 1400 mm dia PSC Pipes of the value of ₹ 1817.22 Lacs.
7. From M/s Pooja Construction, Nanded for supply of 350 mm dia to 1300 mm dia PSC pipes for 25.28 Kms of the value of ₹ 1370.07 Lacs.
8. From M/s Pratibha Industries Ltd for Meerut Water Supply Project supply of 1500 mm dia PSC pipes of the value of ₹ 1204.62 Lacs
9. From Uttar Pradesh Jal Nigam for Supply, Laying, Jointing & Testing of 1300 mm dia PSC Raw Water Main from Sharda Sahayak at Gominagar from Chainage 6768 to 1768 of the value of ₹ 1031.98 Lacs.
10. From Superintending Engineer, Rural Water Supply & Sanitation Circle, Panchayat Raj Engineering Department, Kakinda for CPWS Scheme to Atreyapuram & other Habitations and CPWS Scheme to Tatipaka & other Habitations in East Godavari District of the value of ₹ 1001.89 Lacs.
11. In addition to the above we have successfully completed 22 projects amounting to ₹10802.59 Lacs of the value less than ₹ 1000 Lacs each at various locations in India.



900 mm dia BWSC pipeline at Rajkot

(ii) **Company's works on many water supply projects valued more than ₹ 2500 Lacs each are progressing well and/or nearing completion and the noteworthy amongst them are:-**

1. From The Superintending Engineer, AVR, HNSS Circle No.3, Madanapalli, Andhra Pradesh for survey, investigation, design, drawings, estimation, construction and commissioning on Turnkey basis including maintenance for 15 years (including 2 years liability period) of Pulikanuma L.I.Scheme on Tungabhadra river near Satanur (V), Kosigi (M) in Kurnool District with two stage pumping consisting of (a) construction of approach channel, (b) Jack-well cum pump house including manufacture, supply, erection of pumps, motors, panels, soft starters, capacitors, E.O.T. & H.O.T. cranes and all other electrical equipment, (c) 33 KVA sub-station, (d) H. T. Power lines, (e) Pressure mains consisting of 2000 mm dia PSC pipeline (f) Cisterns, (g) Reservoirs/ Storage tank of capacity 1.232 TMC including Head Regulator and surplus arrangements, (h) approach and link canal to join the T.B.P. L.L.C main canal @ km 270 etc. in Joint Venture with M/s. Flowmore Pvt. Ltd. of the value of ₹ 26,309.92 Lacs. Our Share is 86% i.e. ₹ 22,626.53 Lacs.



Laying of 2000 mm dia PSC pipes at Pulikanuma Lift Irrigation Scheme in A.P

2. From The Superintending Engineer, Rural Water Supply & Sanitation Ananthapur, for J.C. Nagi Reddy Drinking Water Supply Scheme in Ananthapur District (Phase-IV) of the value of ₹ 15,384.57 Lacs.
3. From The Superintending Engineer, RWS&S, Anantapur for J.C.Nagi Reddy Drinking Water Supply Scheme Phase II & III in Ananthapur District. Consisting of 500mm dia 114 KM. BWSC pipes and 32 KM MS pipes 600mm dia to 1000mm dia of the value of ₹ 13,592.90 Lacs.
4. From Panchayat Raj Engineering Department, Anantpur for supply, laying, jointing, testing and commissioning of BWSC, DI, GRP and MS Pipes with allied civil works including construction of sumps, intake well cum pump house with Foot Bridge and ground level balancing reservoir etc. for J. C. Nagi Reddy Phase I Drinking Water Supply Project in Ananthpur District of the value of ₹ 11,589.71 Lacs.
5. From Bangalore Water Supply & Sewerage Board, Bangalore for Replacement / Rehabilitation of existing Sewerage System in Hebbal Valley (S2A) and in Challagatta Valley (S2B) in Bangalore consisting of RCC Pipes. The Drainage Pipelines are to be lined using polyurea for the first time in India in a large



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

project. Pipeline is lined with polyurea for corrosion protection & chemicals resistance. Project consists of 400mm dia to 2400mm dia NP3 class RCC pipes of the total 17.34 Kms of the combined value of ₹10,021 Lacs



2400mm dia NP3 class RCC pipes for Bangalore Water Supply & Sewerage Board, drainage project.

6. From Superintending Engineer, Public Health Circle, Nellore for Tirupati Municipal Corporation UIDSSMT Scheme: Part I: investigation, survey, design and execution of Under Ground Drainage Scheme on eastern side of Tirumala Bye Pass Road. Part II: investigation, survey, design and execution of storm water drainage scheme for Tirupati Municipal Corporation of the value of ₹ 6,798.95 Lacs.
7. From The Superintending Engineer, Public Health Circle, Ananthapur for investigation, survey, design and execution of Dharmavaram Water Supply Scheme with Chitravathi Balancing Reservoir as source under UIDSSMT Scheme of the value of ₹ 6,553.80 Lacs.
8. From Public Health Engineering, Project Division, Raipur, Chhattisgarh for design, manufacturing, providing, laying, jointing, testing, commissioning and one year operation & maintenance of Steel Cylinder pipeline with concrete lining and coating under Raipur Augmentation Water Supply Scheme consisting 1700 mm dia and 1400 mm dia M. S. Pipeline 15.20 kms and 3.60 kms, respectively of the value of ₹ 6,147 Lacs.
9. From The Superintending Engineer, Rural Water Supply & Sanitation, Sangareddy for CPWS schemes in Medak District for CPWS scheme to Narsapur, Kondapur, Gajwel, Chegunta, Khadirabad, Zahirabad and other Habitations with Special Repairs to Satyasai Project consists of DI/MS/BWSC/HDPE/PVC pipes of the total 1098.2 KM of the value of ₹ 6122.81 Lacs.
10. From The Chief General Manager (Engg), H. M. W. S. & S. B., S. R. Nagar, Hyderabad for rehabilitation, strengthening and improvement of sewerage system in old city area by laying mains, sub-mains, laterals and transfer of house service connections including manufacturing, supply of 150mm/ 200mm / 300mm dia SWG pipes and 350mm / 400mm / 450mm / 500mm / 600mm / 700mm/ 800mm / 900mm / 1100mm / 1200mm / 1400mm dia RCC NP3 class pipes with

SR cement including lowering, laying, jointing, testing and commissioning of sewers on turnkey basis under JNNURM - Package-II in Joint Venture with M/s. Vishwa Infrastructure & Services Pvt. Ltd. of the value of ₹12,006.76 Lacs. Our share is 50% i.e. ₹ 6,003.38 Lacs.

11. From The Superintending Engineer, I & CAD Dept., GRP Circle, Yemmiganoor, for investigation, Design, Estimation and execution of 3 Nos of Lift Irrigation Schemes, supply water to 13,700 acres by lifting water all along Tungbhadra River under Guru Raghavendra Project namely Duddi, Madhavaram and Basala Doddi (Two Stage) near Mantralayam, Kurnool District of the value of ₹ 5,999.23 Lacs.
12. From The Superintending Engineer (XVIII) Circle, U.P. Jal Nigam, Ghaziabad for supply, laying, jointing, testing & commissioning 2000 mm dia PSC pipes 19.22 KM from Upper Ganga Canal for Noida to THA Ghaziabad of the value of ₹ 5,755.76 Lacs.



Laying of 2000 mm PSC pipes on concrete cradle bedding at Ghaziabad water supply project

13. From Nagarjuna Construction Company Limited, Bangalore for Cauvery WSS stage IV Phase-II BWSSB W5d Project for drinking water supply to Bangalore. This involves supply & laying of 2125 mm, 1825 mm & 1025 mm dia M.S. Pipes of the value of ₹ 5,400 Lacs.



1825 mm dia M.S. Pipes for Cauvery WSS stage IV Phase-II BWSSB W5d Project for drinking water supply to Bangalore

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

14. From The Superintending Engineer, Public Health Division, Ananthapur for investigation, survey, design and execution of Dhone Water Supply Scheme with Sanjeevaiah Sagar (Gajuladinne Reservoir) as source under UIDSSMT Scheme of the value of ₹ 5,303.65 Lacs.
15. From Superintending Engineer, Public Health West Circle, AC Guards, Hyderabad for Siddipet Water Supply Improvement Scheme with Manuru river at Yashwada as source including intake structure, transmission mains, filtration plant, sumps, pump house, pumping machinery including generators, feeder mains, ELSR and GLSR and all other appurtenant works of the value of ₹ 4,554.39 Lacs.
16. From Maharashtra Jeevan Pradhikaran, Sangamner for Sangamner Water Supply Scheme for providing, laying, jointing & commissioning of 711 mm dia MS and 600 & 700 mm dia BWSC pipes of the value of ₹ 3,773 Lacs.
17. From Chief Engineer, Greater Vishakapatnam Municipal Corporation, Vishakhapatnam for augmentation of drinking water supply to Gajuwaka Area in Vishakapatnam under Sub-Mission on Urban Infrastructure and Governance under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) Package-1 of the value of ₹ 3,356.62 Lacs.
18. From The Superintending Engineer, Public Health West Circle, Hyderabad for Sadasivapet WSIS - with Manjira river at Etigadda Sangam as source under UIDSSMT - providing intake well cum pump house of RCC including providing BWSC raw water and clear water pumping mains to different ELSRs and HDPE distribution lines, providing filtration plant (10.20 MLD), 500 KL clear water sump and pump room, and construction of ELSRs including protection walls and providing of pump sets with all electrical and mechanical equipments and providing road restoration and service road with 2 years defect liability period under EPC system of the value of ₹ 3,273.84 Lacs.
19. From The Superintending Engineer, Rural Water Supply & Sanitation, Project Circle, Kakinada for providing CPWS scheme to Allavaram Amalapuram and Uppalaguptam Mandals in East Godavari District for Consisting of 250, 300, 350 mm dia DI and 75 to 315 mm dia PVC and 400 mm dia BWSC Pipes for 105 KM of the value of ₹ 3118.71 Lacs.
20. From The Vice-Chairman and Managing Director, Andhra Pradesh State Irrigation Development Corporation Limited, Banjara Hills, Hyderabad, for Construction and Commissioning on turnkey basis of Morjampadu Lift Irrigation scheme on right bank of Krishna River near Govindapuram Village in Machavaram Mandal of Guntur District including operation of the scheme for one year of the value of ₹ 3,059.30 Lacs.
21. From Superintending Engineer, Public Health Circle, Nellore for investigation, design, execution of Nagari Water Supply Scheme by construction of storage tank, treatment plant, erection of pumping machinery, construction of pump houses, laying of raw water / clear water pumping mains / gravity mains, construction of clear water sump at treatment plant, construction of ELSRs', including trial run and commissioning of the scheme with GNSS as source of the value of ₹ 2,917.33 Lacs.



800 KI ELSR Satharavada at Nagari WSS A.P.

22. From TWAD Board, Coimbatore for implementation of Combined Water Supply Scheme to Madathukulam of the Value of ₹ 2590.95 Lacs.
23. In addition to the above, 38 projects are progressing well amounting to ₹ 30,629.79 Lacs of the value less than ₹ 2500 Lacs each at various locations in India.



1300 MM. DIA x 12 KG / CM2 BWSC Pipes for Lucknow WSS



3750 mm dia M.S.pipes with coal-tar coating under erection at D.B. Power plant near Raigarh in Chhattisgarh State for cooling water supply pipe line system.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (iii) Some of the New Orders secured by the Company valued more than ₹ 1000 Lacs each during the year are:-

1. From The Chief Engineer, TWAD Board, Western Region, Coimbatore for providing water supply to Palladam Municipality, 23 Town Panchayats and 965 rural habitations in Coimbatore and Tiruppur District consisting of 460 mm to 1020 mm dia 66.67 KM MS Pipes, 100 mm dia to 400 mm dia 89.36 KM DI Pipes and 50 mm to 160 mm dia 950.80 KM PVC Pipes including 17 Nos Sump and 103 Nos Service Reservoir of the value of ₹15200.50 Lacs.
2. From The Chief Engineer, TWAD Board, Southern Region, Madurai for providing CWSS to 637 rural habitations Aruppukottai, Kariapatti, Thiruchuri and Narikudi Unions in Virudhunagar District consisting of 100 mm to 600 mm dia 212.63 KM DI Pipes and 50 mm to 160 mm dia 1028.38 KM PVC Pipes including 142 Nos Sump and 49 Nos Service Reservoir of the value of ₹ 12171.73 Lacs.
3. From The Chief Engineer, TWAD Board, Southern Region, Madurai for providing CWSS to 7 Town panchayats and 395 rural habitations in Rajapalayam, Srivilliputhur and Watrap unions in Virudhunagar District consisting of 100 mm to 600 mm dia 165.61 KM DI Pipes and 50 mm to 160 mm dia 669.34 KM PVC Pipes including 103 Nos Sump and 16 Nos Service Reservoir of the value of ₹ 10937.08 Lacs.
4. From Chalisgaon Municipal Council, Chalisgaon for 700 mm dia and 800 mm dia BWSC pipeline for 33.39KM of the value of ₹ 6734.28 Lacs.
5. From Manmad Nagar Palika, Manmad for 1000 mm dia and 600 mm dia PCC Pipeline for 17.94 KM of the value of ₹ 4291.14 Lacs.
6. From The Superintending Engineer, Public Health, Vishakapatnam, for Rajam Water Supply improvement scheme under UIDSSMT consisting of 350-450 mm dia BWSC, 150-250 mm dia DI, 250-400 mm dia AC and 110-225 mm dia HDPE Pipes including Infiltration, Wells, GLSR/ELSR's CC/BT Roads etc of the value of ₹ 3826.70 Lacs.
7. From Superintending Engineer, RWSS Circle, Karimnagar for CPWSS to Alair, Gundala and Rajapeta Mandals in Nalgonda District project consisting of 250 mm dia DI, 200-300 mm dia AC and 63-180 mm dia PVC pipes including 3MLD RSF, OHBR/GLBR's Collection well cum Pump House of the value of ₹ 3284.87 Lacs.
8. From Superintending Engineer, RWSS Circle, Nalgonda for CPWS scheme to Flouride Affected Habitations of Maheswaram Constituency in R. R. Dist for 100-500 mm dia DI, 200-350 mm dia AC and 90-180 mm dia HDPE pipes including OHBR's Sump and Pump House of the value of ₹ 2786.99 Lacs.
9. From The Executive Engineer, APSIDC, Miryalguda for Peddaveedu Lift Irrigation Scheme for 500-1100 mm dia PSC and 600-1600 mm dia RCC pipes including Jackwell cum PH., Transformers, VT Pumpsets etc of the value of ₹ 2703.48 Lacs.
10. From M/s IFFCO Kisan SEZ Limited, Nellore for Construction of underground Water Pipe Line including Civil, Electrical and Mechanical works from Kinigiri Reservoir to IKSEZ Project site, Nellore of 900 mm dia PSC pipe including Jack Well cum Pumphouse and all related Electro Mechanical Works of the value of ₹ 2618.10 Lacs.
11. From Bhopal Municipal Corporation for providing, laying, jointing, testing & commissioning of various diameter of HDPE Pipes with all fittings, specials, interconnection and other appurtenant works etc complete in gas affected areas (Ward No. 11 to 16 & 66 to 71 of Bhopal City consisting of 307.42 Kms HDPE Pipes and 2.86 Kms DI Pipes of the value of ₹ 2584.58 Lacs.
12. From The Vice Chairman and Managing Director, APSIDC Department, Hyderabad, for Jupadau Bungalow-2 Lift Irrigation Scheme of 1100 mm dia PSC, 450-1000 mm dia RCC and 200-400 mm dia PVC pipes including Transformers and Pumpsets etc. of the value of ₹ 2316.33 Lacs.
13. From M/s Larsen & Toubro Limited, Vadodara for CW Piping and Misc. Tankages Visa Power Project, Raigarh consisting of 1800 to 3750 mm dia 4430 Mtrs. MS Pipes of the value of ₹ 2199 Lacs.
14. From The Chief Engineer, BWSSB, Bangalore for O-Flow Bangalore drainage Scheme consisting of RCC Pipes of the value of ₹ 1770.47 Lacs.
15. From Superintending Engineer, RWSS Circle, Kakinada for CPWSS to Yeleswaram, Prathipadu, Samkhavaram of 400-700 mm dia BWSC, 350-450 mm dia AC, 75-225 mm dia PVC and 90-125 mm dia HDPE pipes including 8.5MLD RSF, OHBR/GLBR's Pump House etc. of the value of ₹ 1738.12 Lacs.
16. From Superintending Engineer, RWSS Circle, Guntur for CPWS Scheme to over exploited Mandals in Mahadevpur, Kataram and Mutharam in Manthani Mandals in Karimnagar Dist of 400 mm dia BWSC, 100-400 mm dia DI, 400 mm dia GRP, 90-280 mm dia HDPE and 93-315 mm dia PVC pipes including 3MLD RSF, OHBR/GLBR's Sumps, Pump Houses etc. of the value of ₹ 1494.88 Lacs.
17. From The Vice Chairman and Managing Director, APSIDC Department, Hyderabad for Bogulampally Lift Irrigation Scheme at Medak District of 900 mm dia PSC, 400-450 mm dia MS, 450-1200 mm dia RCC and 200-315 mm dia PVC pipes including Jackwell cum PH-2 stages, VT Pumps Transformers etc. of the value of ₹ 1376.73 Lacs.
18. From U. P. Jal Nigam, Ghaziabad for Survey, Design, Supply & Laying of 1800 mm dia, 700 mm dia & 400 mm dia Prestressed Concrete & Mild Steel Pipe for Clear Water Conveyance Main from W.T.P Campus at Pratap Vihar to respective Common Distribution Points and Supply, Installation of 3 Nos. Electromagnetic type online bulk meters are common distribution point of Noida, G.D.A., U.P.H & D.B. – Ghaziabad of the value of ₹ 1252.64 Lacs.
19. In addition to the above we have secured 16 orders amounting to ₹ 4402.25 Lacs of the value less than to ₹ 1,000 Lacs each at various locations in India.

### (B) Railway Sleepers:

During the year the Company has manufactured 82,828 sleepers amounting to ₹ 1104.39 Lacs against the order received from Ministry of Railway Board, New Delhi.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (C) Bar Wrapped Steel Cylinder (BWSC) Pipes / Prestressed Concrete Cylinder Pipes (PCCP)

The BWSC pipes / PCCP pipes introduced by the Company as an alternative pipe materials to M. S. and D.I. pipes has become popular amongst various Government authorities. The Company has undertaken / undertaking several projects involving BWSC pipes. To meet the demand of BWSC pipes, Company had specially set up manufacturing plants at Choutuppal and Chilamathur in Andhra Pradesh and these plants are running continuously with better productivity yields. In addition to the above we have also created facilities to manufacture these pipes in our existing factories like Vadgaon, Rajkot, Kanhan, Yelhanka and Thanjavur to cater the local demands. During the year under review, these plants were produced 41.78 Kms of BWSC pipes valued at ₹ 3,019.49 Lacs.

During the year the Company has received orders worth ₹ 17,798 Lacs for BWSC pipes and orders worth ₹ 4,291 Lacs for PCCP pipes along with other civil works.

### (D) National Rifle Division:

The Company's National Rifle Division at Ahmedabad had introduced two models namely 0.177 "Compressed Air Rifle" and 0.177 "Compressed Air Pistol" to enable shooters to acquire efficiency in target shooting and gain recognition in the State, National and International shooting competitions. The Company is already manufacturing 10 types of air rifles and air pistols for a long period which are marketed by reputed Distributors all over India. The demand for Air compressed Rifles and Compressed Air Pistols has increased as Olympic and National Gold Winners are opening their training clubs and are placing orders with the Company. Even Govt. of India, Ministry of Defense, Ishapore Rifle Club is purchasing Compressed Air Rifles and Compressed Air Pistols from the Company. Further in the All India Ordnance and Ordnance Equipment factory Inter-zonal shooting championship held on 7th to 9th April, 2012 in which the shooter, Shri S. Hatwa has secured Bronze Medal using 0.177 Compressed Air Rifle manufactured by the Company. The Gujarat State Rifle Association has issued press note for imparting training to Instructors, Coaches and Organizers in a big way so that these Coaches will be sent to all districts for imparting shooting training to students. All assistance is being provided by the State of Gujarat and Govt. of India. They have recommended 0.177 N-25 Air Rifles and 0.177 Pneumatic Air Rifles manufactured by the Company to all the participants.

### 4. Outlook:

During the last decade, Urban area limits are spreading wider and wider to peripheral areas, but at the same time, the basic amenities like Water Supply, Drainage, etc are not meeting the requirement of more and more urbanization. Apart from the above, most of the rural areas in India fall short of access to drinking water.

Government of India, State Governments and local bodies are making best efforts to supply safe drinking water, hence, number of water supply schemes are under anvil. Further to make cities and rural areas more hygienic conditions, lot of sewerage disposals and drainage schemes are also coming up.

Considering the above factors, outlook for the Company in water supply, sewerage and drainage segments is encouraging and good.

### 5. Risks & Concerns:

The Company's activities and prospects largely depend on the

implementation of various water supply related projects undertaken by various States / Central Government Agencies. The Company is doing the business with various State Governments and it depends upon their policy on approval of finance and allocation of funds as well as their ability to raise funds to undertake such water supply projects amongst various infrastructure related projects being implemented by them. Adverse changes and lack of funds delays the works resulting in higher cost and can also affect the business prospects of the Industry and the Company. Severe competition from the manufacturers of alternative pipes like Ductile Iron, Glassfibre Reinforced Plastic, PVC, H. D. P. E. and Spirally Welded Steel pipes is existing and can affect Company's business prospects.

In the last year under review, the prices of the key raw materials i.e. steel and cement used by the Company had increased considerably.

Volatility in the prices of key raw materials especially steel & steel long products such as H. T. wires, wire rods, TMT bars, girders, etc. and cement as well as increase in interest rates have become a major area of concern for your Company.

### 6. Internal Control Systems:

The Company has adequate internal control procedures commensurate with its size and nature of business that ensures control over various functions of the organisation. The internal control system provides for guidelines, authorisation and approval procedures.

The internal audit reports, post audit reviews are carried out to ensure compliance with the Company's policies and procedures.

### 7. Financial Performance with respect to Operational Performance:

For the year ended 31st March 2012, the adjusted turnover of the Company was ₹ 51,716.92 Lacs as compared to last year's adjusted turnover of ₹ 64,852.90 Lacs.

The profit before tax & before prior year's charge is ₹ 2,239.29 Lacs as against ₹ 4,235.51 Lacs achieved last year. The order book position as on 31st March, 2012 is ₹ 1,44,573.32 Lacs as compared to ₹ 1,01,045.86 Lacs in the previous year.

### 8. Human Resources and Industrial Relations:

The Company has total strength of 1232 employees as on 31st March, 2012 working at various locations such as Factories / Projects / Head Office and Research & Development Department.

The management has successfully negotiated and settled the demands of workmen working at our factories at Vadgaon, Choutuppal and National Rifle Division, Vatva, Ahmedabad.

The Company had organized training programmes to create awareness about importance of industrial safety, Health & Fire Prevention and precautionary measures to be taken for safe working at place of work. These training programmes were conducted at our factories viz. Yelhanka, Kanhan, Miraj and Vadgaon. Further the Company had also organised training programmes on the topics viz. Positive Work Culture, Supervisory Development, 5 'S' and housekeeping at our factories at Ahmednagar, Kanhan and Yelhanka.

In house work shop for fresh engineers to make them familiar with the manufacturing process and laying of PSC pipes and BWSC pipes was organized at our Chilamathur factory in Andhra Pradesh.

The industrial relations with the workmen at various units of the Company by and large remained peaceful and normal.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 9. Corporate Social Responsibility:

In keeping with the noble and rich tradition of charity inculcated by our founder Late Seth Walchand Hirachand an Industrialist and a Legendary, Visionary and Philanthropist of his era, the Company had donated monies to Ratanchand Hirachand Foundation promoted and sponsored by the Promoters of the Company, for carrying out charitable activities such as Educational Grant to needy students and Institutions, Medical Aid to the patients as well as to the Hospitals / Charitable Trusts and donation of costly medical equipments to the municipal hospitals.

During the financial year under review, the Company had donated ₹ 25 Lacs to Ratanchand Hirachand Foundation, as a corpus donation.

During the year Ratanchand Hirachand Foundation had donated 2 Nos. Allengers HF - 49 C Arm machines with accessories to be used in Orthopedic Department of the hospitals at a total cost of ₹ 15,75,000/- i.e. one machine donated to Lokmanya Tilak Municipal Medical College & General Hospital, Sion, Mumbai (LTMG Hospital, Sion) at a cost of ₹ 7,87,500/- and another machine to B.Y.L. Nair Hospital, Mumbai Central, Mumbai at a cost of ₹ 7,87,500/- for the benefit of general public especially weaker sections of the society. Further the Foundation is funding the salary of the nurse working in Human Milk Bank in LTMG Hospital, Sion, Mumbai.



Allengers HF - 49 C Arm machine with accessories used in Orthopedic Department at LTMG Hospital, Sion, Mumbai

The Ratanchand Hirachand Foundation had sponsored an eye camp in association with Pradhan Eye Hospital, Solapur for free cataract surgery with lens implant. They have successfully performed 100 nos. cataract surgeries with lens implant with five special types of eye surgeries (IOL operated under G.A.).



Eye camp in association with Pradhan Eye Hospital, Solapur sponsored by Ratanchand Hirachand Foundation

Further some part of the income earned out of the corpus donation made by the Company in the past as well as this year was applied for payment to Kushtarog Niwaran Samiti towards "Help a Child Programme" for 100 students for Adivasi Ashram School at Shantivan and Archana Educational Trust towards cost of salary to teaching staff.

Similarly, the Ratanchand Hirachand Foundation has donated Educational Aid to Inner Wheel Club for their project to support at orphanage for girls started by Borderless World Foundation, Jammu & Kashmir and Rotary Club of Bombay for their 'Bhavish-Yaan Project' a skills enhancement programme at Ambedkar School, Worli, Mumbai.

In all, Ratanchand Hirachand Foundation had donated over ₹ 29 Lacs towards charitable purposes during the financial year under review.

### 10. Cautionary Statement:

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a schedule of implementation of various water supply related projects undertaken by various State / Central Government Agencies, significant changes in political and economic environment in India, exchange rate fluctuations, prices and availability of key raw materials like steel and cement, tax laws, litigation, labour relations and interest costs.

For and on behalf of the Board of Directors,

**Rajas R. Doshi**  
Chairman & Managing Director

Dated : 28<sup>th</sup> May, 2012

## DIRECTORS' REPORT

TO  
THE MEMBERS,

Your Directors are pleased to present to you the Annual Report on the business operations of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2012.

### FINANCIAL RESULTS:

	(₹ In Lacs)	
	Year Ended 31-3-2012	Year Ended 31-3-2011
<b>Revenue from Operations</b>	<b>51716.92</b>	64852.90
<b>Profit Before Finance Cost, Depreciation &amp; Amortisation &amp; Tax</b>	<b>5301.66</b>	7034.06
Less: Finance Costs	2368.01	2058.93
Depreciation & Amortisation	<u>694.35</u>	<u>739.62</u>
	<b>3062.36</b>	2798.55
<b>Profit Before Tax</b>	<b>2239.30</b>	4235.51
Less: Provision for Taxation	646.94	1438.56
<b>Profit Before Earlier Years' Tax</b>	<b>1592.36</b>	2796.95
<b>Net Profit After Tax</b>	<b>1592.36</b>	2796.95
Transfer from Debenture Redemption Reserve	-	500.00
Balance Brought Forward from last year	<u>10524.17</u>	<u>8790.28</u>
<b>Surplus available for Appropriation</b>	<b>12116.53</b>	12087.23
Less: Proposed Dividend	484.47	484.47
Tax on Dividend	78.59	78.59
General Reserve	<u>300.00</u>	1000.00
	<b>863.06</b>	1563.06
<b>Surplus Carried to Balance Sheet</b>	<b>11253.47</b>	10524.17

### PERFORMANCE REVIEW :

The financial performance of the Company during the financial year 2011-12 reflects the difficult economic and business environment. As a consequence of certain unexpected economic developments which were beyond the control of management, mainly due to slow down of the economy, the expected cash flows have not materialized for the Company. Further there was uncertainty on the policy front. This has resulted in poor order inflow and drop in turnover growth. Consequently your Company's operations of its various projects under execution witnessed decline in profits in spite of continued efforts to reduce costs and improve yield as also bettering the productivity levels.

During the year under review, the revenue from operations reduced by 20.25% to ₹ 51,716.92 Lacs as compared to ₹ 64,852.90 Lacs of the previous year. The profit after tax for the year at ₹ 1,592.36 Lacs was less as compared to ₹ 2,796.95 Lacs of the previous year.

### DIVIDEND :

Your Directors are pleased to recommend a dividend of ₹ 2/- per share of ₹ 2/- each (100%) as against ₹ 2/- per share of ₹ 2/- each (100%) for the previous year; payable to those equity shareholders whose names stand registered in the books of your Company as on the book closure date.

The total equity dividend together with the dividend tax will absorb ₹ 563.06 Lacs.

### FINANCE :

During the year under review, liquidity position of your Company was maintained satisfactorily and optimum utilisation of financial resources was achieved. Though at the year end position of borrowings shows reductions, slow release of funds from the Project Authorities against the completed portion of the work created strains on cash flows to some extent. However your Company endeavoured to resort to the cheaper sources of finances to control borrowing cost. Thus inspite of number of times interest hike by Reserve Bank of India and firming up of the lending rates by the lenders as a consequence thereof, the Company could manage to keep effective cost of borrowings under control.

The Company has been prompt in meeting the obligations towards its bankers and other trade creditors.

### INCOME TAX ASSESSMENT :

The Income Tax assessment of your Company has been completed till Assessment Year 2009-10. The Company's appeals against the assessment orders for various financial years are pending with the Appellate Authorities. The amount of disallowance involved in various appeals is ₹ 5,793.58 Lacs, on which necessary provision has been made in accounts. The major dispute is with regard to the claim made under Section 80IA of the Income Tax Act, 1961, in respect of execution of eligible infrastructure projects of water, sewerage and irrigation.



## DIRECTORS' REPORT

The Company's appeal for Assessment Year 2003-04, has been decided by the Income Tax Appellate Tribunal in its favour, but the Income Tax Department has filed appeal in Honourable Bombay High Court and it is pending. In view of retrospective amendment made by Finance Act, 2009 to Section 80IA of the Income Tax Act, 1961, your Company has made necessary provision in accounts, as a matter of abundant caution, equivalent to the Income Tax refund received and interest payable thereon.

Further, the Income Tax Appeal for Assessment Year 2008-09 has been partly decided in favour of your Company by Commissioner of Income Tax (Appeal). Accordingly your Company has received relief of ₹ 41.58 Lacs which was earlier disallowed. However Income Tax Department has filed an appeal before Income Tax Appellate Tribunal against the order of Commissioner of Income Tax (Appeal).

### FACTORIES / PROJECTS:

During the year, the Company has purchased land near Dhule, Maharashtra for setting up pipe manufacturing factory. The new factory will commence production during the current financial year.

The Company has closed its factories at Solapur and Coimbatore and surrendered the leasehold land to the owners.

Thus the total number of factories of the Company as at the end of period under report stand at 22.

The Company had reported in the Annual Report 2010-11 about stoppage of production and sales of Air Rifles and Air Pistols at Company's factory at Vatva, Gujarat in view of the Order and Judgement dated 20th May, 2011 of the Honourable Delhi High Court. The said Order and Judgement has been challenged in the Honourable Supreme Court of India. In an Interim Order dated 4th January, 2012, the Apex Court has stayed the said Order and Judgement dated 20th May, 2011 pursuant to Special Leave Petitions filed by the Associations and Govt. of India. Accordingly the Company has resumed manufacturing and selling of Air Rifles and Air Pistols from 7th January, 2012 at its Vatva factory.

### CORPORATE GOVERNANCE:

The Company has implemented procedures and adopted practices in conformity with the code of Corporate Governance as provided in the amended Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has also implemented Code of Conduct for all its Non-Executive Directors and Executive Directors and Senior Management Personnel of the Company, who have affirmed compliance thereto. The said Codes of Conduct have been posted on the website of the Company. The Management Discussion and Analysis Report and Corporate Governance Report, appearing elsewhere in this Annual Report forms part of the Directors' Report. A certificate from the Statutory Auditors of the Company certifying the compliance of conditions of Corporate Governance is also annexed thereto.

### PUBLIC DEPOSITS AND LOANS/ADVANCES:

An aggregate amount of ₹ 8.43 Lacs representing 47 fixed deposits had matured but remained unpaid / unclaimed as at 31st March, 2012 pending instructions from the depositors concerned. Since then 18 fixed deposits aggregating ₹ 3.38 Lacs have been repaid / renewed.

The Company has no loans / advances and investments in its own shares by listed Companies, their subsidiaries, associates etc. as required to be disclosed in the annual accounts of the companies pursuant to Clause 32 of the Listing Agreement.

Further, in conformity with the aforesaid Clause, the cash flow statement for the year ended 31st March, 2012 is annexed hereto.

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to foregoing matters, wherever applicable, is given by way of an Annexure and forms part of this report.

#### [a] Conservation of Energy :

Effective control measures/systems to conserve energy are already in force at Company's establishments. Consciousness of energy conservation is also cultivated among the employees to optimise the use of Electricity / Fuel etc.

#### [b] Technology absorption, Adaptation and Innovation:

The required information in the prescribed form under the Companies Act, 1956 in respect of technology absorption is given in the Annexure forming part of this report.

#### [c] Foreign Exchange Earnings and Outgo :

The required information in respect of foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the Financial Year ended 31st March, 2012.

### DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and Article 152 of the Articles of Association of the Company, Mr. Ajit Gulabchand, Mr. N. Balakrishnan and Mr. Vijay Kumar Jatia Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

Mr. Mayur R. Doshi is appointed as an Additional Director of the Company by the Board of Directors w.e.f.28th May, 2012 and designated as an Executive Director of the Company from 28th May, 2012 to 31st March, 2016. In terms Section 260 of the Companies Act, 1956 he will cease to be a Director of the Company at the forthcoming Annual General Meeting of the Company and will be eligible for appointment as Director. A notice in writing under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose Mr. Mayur R. Doshi as Director of the Company at the ensuing Annual General Meeting. Mr. Mayur R. Doshi has been responsible for Company's business in Maharashtra, Gujarat & Karnataka and heading R & D Division. He is instrumental in setting up and implementing ERP modules for the Company.

The Board of Directors of the Company at their meeting held on 28th May, 2008, in pursuance of the recommendation of the Remuneration Committee, had reappointed Mr. Rajas R. Doshi as Chairman & Managing Director of the Company for a further period of five years with effect from 1st July, 2008 to 30th June, 2013 and the Shareholders of the Company had approved the same at the Annual General Meeting held on 30th July, 2008. The Board of Directors at their meeting held on 31st January, 2012, in pursuance of the recommendation of the Remuneration Committee, has approved the payment of estimated remuneration as "Minimum Remuneration" to Mr. Rajas R. Doshi, Chairman & Managing Director of the Company for the financial year 2011-12 and for the remainder of his term up to 30th June, 2013 in the event of inadequate profits or loss during the said financial years.

## DIRECTORS' REPORT

### DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217(2AA) of the Companies Act, 1956 the Board of Directors hereby confirm that:

1. in the preparation of the Annual Accounts for the financial year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. appropriate accounting policies have been selected 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 as at 31st March, 2012 and of the profit of the Company for the year ended on that date;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. the Annual Accounts for the financial year ended 31st March, 2012 have been prepared on a going concern basis.

### PARTICULARS OF EMPLOYEES :

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. However, as per provisions of Section 219(1)(b)(iv) of the Companies Act, 1956 the Report and Accounts are being sent to the Shareholders excluding the aforesaid information. Any Shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

### AUDITORS :

M/s. K. S. Aiyar & Co., Chartered Accountants retires as auditors of the Company and have given their consent for re-appointment.

As required under Section 224 (1B) of the Companies Act. 1956, the Company has obtained a written certificate from M/s. K. S. Aiyar & Co. Statutory Auditors proposed to be re-appointed to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said section.

You are requested to re-appoint the retiring Statutory Auditors of the Company for the financial year 2012-13.

### BRANCH AUDITORS :

M/s. Brahmayya & Co., Chartered Accountants, Hyderabad, retires as Branch Auditors of the Company and have given their consent for re-appointment.

You are requested to re-appoint M/s. Brahmayya & Co., Chartered Accountants as Branch Auditors u/s 228 of the Companies Act, 1956, to carry out Branch Audit, Limited Review and Tax Audit of the Company's Factories, Projects and Project Offices in the State of Andhra Pradesh for the financial year 2012-13 and also authorise Board of Directors to appoint Branch Auditors in other States.

### COST AUDITOR :

In terms of the Cost Audit Notification the Board has appointed Mr. V. V. Deodhar, Cost Accountant as Cost Auditor u/s 233 (B) of the Companies Act, 1956 for carrying out (i) audit of cost accounts of the Company for the financial year 2012-13 relating to pipes and cement products manufactured by the Company and (ii) undertaking work of Cost Compliance Report applicable to Air Rifles business and pipe laying and jointing activities of the Company for the financial year 2012-13.

As required under the provision of Section 224(1B) of the Companies Act, 1956, the Company has obtained a written certificate from the Cost auditor to the effect that the appointment, if made, would be in conformity with the limits specified in the said Section.

### INDUSTRIAL RELATIONS :

The Company is having total strength of 1232 employees as on 31st March, 2012 working at various locations such as Factories / Projects / Head Office and Research & Development Department, Mumbai.

Industrial relations with the workmen at various units of the Company were by and large remained peaceful and cordial.

### ACKNOWLEDGEMENTS :

Your Directors record their gratitude to the Customers, Bankers, Government Departments, Vendors and Works Sub-contractors for their continued support and co-operation during the year.

Your Directors also wish to place on record their appreciation of the services rendered by the employees of the Company.

Wishing you all good health, wealth and prosperity.

For and on behalf of the Board of Directors,

**Rajas R. Doshi**  
Chairman & Managing Director

### Registered Office:

Construction House, 2nd floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date : 28<sup>th</sup> May, 2012



# ANNEXURE TO DIRECTORS' REPORT

## DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

### (A) RESEARCH AND DEVELOPMENT ( R & D )

The Company has separate Research and Development Division situated at Govandi in Mumbai, which is recognized by the Ministry of Science & Technology, Department of Scientific and Industrial Research, Government of India, New Delhi.

#### (1) Specific areas in which R&D carried out by the Company are the following :

- New Product Development
- Import Substitution
- Technology Upgradation
- Evaluation of Alternate Raw-materials
- Designing and Improving manufacturing process and quality of products
- Improvement of Designs of Plant and Machinery

#### (2) Benefits derived as a result of the above R&D :

Research and Development provide valuable support to the business through innovation of new products and process, which are transferred to the factories / project works.

#### (3) Future Plan of Action :

The Company endeavors to continue research on areas set out in (1) above :

#### (4) Expenditure on R&D :

The total expenditure on Research & Development during the year was ₹ 236.66 Lacs (0.46% of the turnover) as compared to ₹ 203.55 Lacs (0.32% of the turnover) of previous year.

### (B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- 1) Erected M. S. pipe manufacturing plant at Raigarh in Chhattisgarh State for fabrication of larger diameter pipes for Cooling Water Pipeline to Power Plant including hydro-testing arrangement for designed pressure of pipes.
- 2) Erection of PSC / BWSC / PCCP pipe plant under progress at Dhule in Maharashtra by shifting heavy duty structurals and cranes from Hadapsar factory. This plant when completed will manufacture PSC pipes up to 2500 mm dia.
- 3) Modification of Thanjavur plant in Tamilnadu for inlining and outcoating of 12 mtrs length M. S. pipes.
- 4) Alteration and modification of Chilamathur plant in Andhra Pradesh is completed for manufacturing of 2000 mm dia PSC pipes.
- 5) In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished :

- |  |   |     |
|--|---|-----|
| (a) Technology imported  | } | NIL |
| (b) Year of Import   |   |     |
| (c) Has technology been fully absorbed   |   |     |
| (d) If not fully absorbed, areas which this has not taken place, reasons therefore and future plans of action. |   |     |

For and on behalf of the Board of Directors,

**Rajas R. Doshi**  
Chairman & Managing Director

Date : 28<sup>th</sup> May, 2012

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PHILOSOPHY:

The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long term shareholders value and interest of all its stakeholders. Efficient conduct of its business through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

Good corporate governance has always been an integral part of the Company's business philosophy. The Company attaches significant importance to issues of Corporate Governance and has always focused on good corporate governance. Your Company has consistently made efforts in ensuring transparency, accountability and responsibility in dealing with its employees, stakeholders, customers and the community at large.

Your Company fundamentally believes that good corporate governance should be an internally driven need and is not to be looked upon as an issue of compliance dictated by statutory requirements. Your Company has systems and procedures in place to ensure that it remains fully compliant with all mandated regulations. The stipulations mandated by Clause 49 on the mandatory requirements of the Listing Agreement have been fully complied.

### I. BOARD OF DIRECTORS:

The Company has Executive Chairman, Executive Director and the number of Independent Directors are half of the total strength of the Board of Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

The management of the Company is entrusted in the hands of the Key Management Personnel of the Company and is headed by the Chairman & Managing Director who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long term objectives of the organisation are achieved successfully.

Mr. Rajas R. Doshi, Chairman & Managing Director of the Company, Ms. Jyoti R. Doshi, Director, wife of Mr. Rajas R. Doshi and Mr. Mayur R. Doshi, Executive Director, son of Mr. Rajas R. Doshi and Ms. Jyoti R. Doshi belong to the Company's promoter group.

Ms. Anima B. Kapadia, Non-Executive Director of the Company, is a sole proprietor of M/s. Daphtary Ferreira & Divan, Solicitors & Advocates, one of the Solicitors & Advocates of the Company.

#### The Constitution of the Board is as under:

Directors	Category	Total number of Committee Memberships of Public Companies +	Total number of Chairmanships of Committees of Public Companies +	Total number of Directorships of Public Companies *
<b>Executive</b>				
Mr. Rajas R. Doshi, Chairman & Managing Director	Promoter	5	1	4
Mr. Mayur R. Doshi, Executive Director (from 28-05-2012)	Promoter	Nil	Nil	2
<b>Non-Executive</b>				
Mr. Ajit Gulabchand	Independent	4	1	15
Ms. Jyoti R. Doshi	Promoter	Nil	Nil	2
Mr. Rajendra M. Gandhi	Independent	1	1	1
Mr. Rameshwar D. Sarda	Independent	1	Nil	2
Mr. N. Balakrishnan	Independent	1	Nil	1
Ms. Anima B. Kapadia	Non-Independent	2	1	3
Mr. Vijay Kumar Jatia	Independent	2	Nil	6
Mr. P. D. Kelkar	Non-Independent	Nil	Nil	2

+ Committees considered are Audit Committee and Shareholders' / Investors' Grievance Committee, including The Indian Hume Pipe Co. Ltd.

\* Excludes Directorships in Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships.

Mr. P. D. Kelkar is the other Non-Executive Director of the Company.

All other Directors are Non-Executive Independent Directors of the Company.

Apart from the above and apart from the reimbursement of expenses incurred in the discharge of their duties, the sitting fees that these Directors would be entitled to as fixed by the Board under the Companies Act, 1956 as Non-Executive Directors, the commission they may receive of 1% of net profits for the financial year or an amount not exceeding ₹ 16 Lacs per annum in aggregate whichever is less for a period of 3 years commencing from the financial year 2009-10, the remuneration that the Directors may receive for professional services as a Legal Advisor and the dividend on the shares owned by them, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates, its Holding Company which in their judgment would affect their independence.

The Senior Management have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them, the Company and its Promoters, which could have potential conflict of interest with the Company at large.

### A. Composition of Board

The Company presently has ten Directors and out of which three belongs to Promoter Group and out of which one is the Chairman & Managing Director and one is Executive Director. There are five Independent Non-Executive Directors and professionals with expertise and experience in general corporate management, finance, insurance, construction and other allied fields and two Directors are Non-Independent Non-Executive Directors with one having about 35 years experience as a Solicitor & Lawyer and other in water supply project management and other civil engineering field.

The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement), across all the companies in which he/she is Director.



## CORPORATE GOVERNANCE REPORT

### B. Board Procedure

A detailed Agenda folder is sent to each Director in advance of Board and Committee meetings, to enable the Board to discharge its responsibilities effectively. The Managing Director briefs the Board at every meeting on the overall performance of the Company.

The following information is regularly provided to the Board as part of the agenda papers:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other committees of the Board.
- The information on recruitment and remuneration of Senior Officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non payment for goods sold by the Company.
- Any issue, which involves possible public or product liability, claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any Joint Venture or Collaboration Agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Transactions pertaining to purchase / disposal of fixed assets/ properties of the Company.
- Major accounting provisions and write-offs and write back.
- Review of major legal issues.
- Significant labour problems and their proposed solutions. Any significant developments in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature of investments, assets, which is not in the normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliances.

### C. Number of Board Meetings, attendance record of the Directors at Meetings of the Board and at the last Annual General Meeting.

Four Board meetings were held during the period from 1st April, 2011 to 31st March, 2012 on the following dates:

- 24<sup>th</sup> May, 2011
- 27<sup>th</sup> July, 2011
- 24<sup>th</sup> October, 2011
- 31<sup>st</sup> January, 2012

The Eighty Fifth Annual General Meeting was held on 27th July, 2011.

The Attendance of the Directors at these meetings is as under :

Director	No. of Board Meetings Attended	Attendance at the AGM
Mr. Rajas R. Doshi	4	Yes
Mr. Ajit Gulabchand	3	Yes
Ms. Jyoti R. Doshi	4	Yes
Mr. Rajendra M. Gandhi	4	Yes
Mr. Rameshwar D. Sarda	3	Yes
Mr. N. Balakrishnan	4	Yes
Ms. Anima B. Kapadia	3	Yes
Mr. Vijay Kumar Jatia	4	Yes
Mr. P. D. Kelkar	4	Yes

### D. Directors seeking re-appointment

Mr. Ajit Gulabchand, Mr. N. Balakrishnan and Mr. Vijay Kumar Jatia, Directors retire by rotation and being eligible have offered themselves for re-appointment. The resume of the Directors seeking re-appointment are given in the Annual Report.

### II. Remuneration to Directors

#### A. Remuneration to Non-Executive Directors for the year ended 31st March, 2012.

Non-Executive Directors are paid sitting fee of ₹ 10,000/- for every meeting of the Board or any Committee attended by them.

In the Annual General Meeting held on 27th July, 2009, the members had approved the payment of commission, not exceeding 1% of the net profits of the Company or an amount not exceeding ₹ 16 Lacs in aggregate, whichever is less, per financial year, to Non-Executive Directors for a period of 3 years commencing from the financial year 2009-10.

The Board of Directors at its meeting held on 28th May, 2012, has decided to pay equal commission to all Non-executive Directors for the financial year 2011-12.

The remuneration paid / payable to Non-Executive Directors for the year ended 31st March, 2012 is as under :

(Rupees)				
Director	Board	Committee	Commission*	Total
Mr. Ajit Gulabchand	30,000	10,000	1,26,875	1,66,875
Ms. Jyoti R. Doshi	40,000	--	1,26,875	1,66,875
Mr. Rajendra M. Gandhi	40,000	50,000	1,26,875	2,16,875
Mr. Rameshwar D. Sarda	30,000	30,000	1,26,875	1,86,875
Mr. N. Balakrishnan	40,000	40,000	1,26,875	2,06,875
Ms. Anima B. Kapadia	30,000	30,000	1,26,875	1,86,875
Mr. Vijay Kumar Jatia	40,000	70,000	1,26,875	2,36,875
Mr. P. D. Kelkar	40,000	--	1,26,875	1,66,875
Total :	2,90,000	2,30,000	10,15,000	15,35,000

\* Provision has been made in accounts for the year 2011-12.

## CORPORATE GOVERNANCE REPORT

### B. Remuneration to the Managing Director for the year ended 31st March, 2012.

Remuneration payable to the Managing Director for the period of 5 years w.e.f. 1st July, 2008 to 30th June, 2013 had been fixed by the Remuneration Committee and thereafter approved by the Board at their meetings held on 28th May, 2008 and Shareholders at the Annual General meeting held on 30th July, 2008.

Following is the remuneration paid to the Managing Director for the year ended 31st March, 2012 :

Director	Salary, Perquisites and Allowances* Rs.	Company's contribution to funds* Rs.	Commission Rs.	Total* Rs.	Contract Period
Mr. Rajas R. Doshi Chairman & Managing Director	1,03,35,871.50	16,40,250.00	Nil	1,19,76,121.50	5 years with effect from 01-07-2008 to 30-06-2013

\* Provision has been made in the accounts for the year 2011-12. Excess managerial remuneration of ₹ 68,99,977.03 is subject to the approval of the Shareholders and the Central Government.

#### Note:

1. Service Contract in case of Chairman & Managing Director is for five years and Notice period applicable to Managing Director is six months.
2. The overall remuneration excluding commission to the Managing Director is recommended by the Remuneration Committee and approved by the Board .
3. In view of inadequate profit no commission is payable to the Chairman & Managing Director for the Financial Year 2011-12.
4. Company has not issued stock options.

### III. COMMITTEES OF BOARD

#### A. Audit Committee

The Audit Committee was constituted by the Board of Directors at its meeting held on 25th October, 2001 and presently it comprises of Mr. Rajendra M. Gandhi, Mr. Rameshwar D. Sarda and Mr. Vijay Kumar Jatia as members and all being Independent Non-Executive Directors.

Mr. Rajendra M. Gandhi is the Chairman of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of this Committee is in line with Clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956.

Besides having access to all the required information from the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorised to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters. The Committee is empowered to review the remuneration payable to the Statutory Auditors and to recommend a change in Auditors, if felt necessary. It is also empowered to review Financial Statements, Management Discussion & Analysis Report and material individual transactions with related parties not in normal course of business or which are not at an arm's length basis. Generally all items listed in Clause 49 II D of the Listing Agreement are covered in the terms of reference. The Audit Committee has been granted powers as prescribed under Clause 49 II C.

Four committee meetings were held during the year from 1st April, 2011 to 31st March, 2012 on the following dates:

- 24th May, 2011
- 27th July, 2011
- 24th October, 2011
- 31st January, 2012

The attendance of the Members at these meetings is as under:

Sr. No.	Members	Meetings Attended
1	Mr. Rajendra M. Gandhi	4
2	Mr. Rameshwar D. Sarda	3
3	Mr. Vijay Kumar Jatia	4

The meetings of the Audit Committee were also attended by the Chairman & Managing Director, Operating Executives, Company Secretary, Controller of Accounts & Finance, Chief Internal Auditor and the Statutory Auditor.

#### B. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee was constituted by the Board of Directors at its meeting held on 25th October, 2001 and presently it comprises of Ms. Anima B. Kapadia, Mr. Rajas R. Doshi, Mr. Ajit Gulabchand, Mr. N. Balakrishnan. Mr. P. D. Kelkar, Non Executive Non Independent Director has been appointed as Member of the Shareholders' / Investors' Grievance Committee w.e.f. 28th May, 2012.

Mr. S. M. Mandke, Company Secretary is the Compliance Officer.

Ms. Anima B. Kapadia is the Chairperson of the Committee.

The Committee meets as and when required, to deal with matters relating to transfers/ transmissions of shares and monitors redressal of complaints from shareholders relating to transfers, non-receipt of balance-sheet, non-receipt of dividends declared, etc.

During the year one Committee meeting was held on 24th October, 2011. The attendance at the meeting was as under:

Sr. No.	Members	Meeting Attended
1.	Ms. Anima B. Kapadia	Yes
2.	Mr. Rajas R. Doshi	Yes
3.	Mr. N. Balakrishnan	Yes
4.	Mr. Ajit Gulabchand	Yes

Share Transfers are approved twice in a month by the Chairman & Managing Director.

During the year, 17 complaints were received from the shareholders, all of which were attended to/resolved to date.

As on 31st March, 2012, there were no pending share transfers pertaining to the year under review.



# CORPORATE GOVERNANCE REPORT

## C. Remuneration Committee

The role of the Remuneration Committee is to review market practices and to decide on remuneration packages applicable to the Managing Director / Executive Director and remuneration and perquisites of relative of a Director in the employment of the Company. During the course of its review, the Committee also decides on the Commission and/or other incentives payable, taking into account the individual's performance as well as that of the Company.

The Remuneration Committee was constituted on 25th October, 2001 and presently it comprises of Mr. N. Balakrishnan, Mr. Vijay Kumar Jatia, Non-Executive Independent Directors and Ms. Anima Kapadia, Non-Executive Director. Mr. Rajendra M. Gandhi, Non-Executive Independent Director has been co-opted as Member of the Remuneration Committee w.e.f. 4th January, 2012.

Mr. N. Balakrishnan is the Chairman of the Committee.

During the year three Committee meetings were held on 24th May, 2011, 24th October, 2011 and 31st January, 2012. The attendance at the meeting was as under :

Sr. No.	Members	Meetings Attended
1.	Mr. N. Balakrishnan	3
2.	Ms. Anima B. Kapadia	2
3.	Mr. Vijay Kumar Jatia	3
4.	Mr. Rajendra M. Gandhi	1

### Remuneration Policy

While deciding on the remuneration for Directors, the Board and Remuneration Committee considers the performance of the Company, the current trends in the industry, the qualification of the appointee(s), their experience, past performance and other relevant factors. The Board / Committee regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries through participation in structured surveys. This information is used to review the Company's remuneration policies.

## IV. DISCLOSURES

### A. Related Party Transactions:

During the financial year 2011-12, there were no materially significant transactions entered into between the Company and its promoters, directors or the management, relatives, etc. that may have potential conflict with the interests of the Company at large. Further, details of related party transactions are presented in note No.2.33 to Annual Accounts of the Annual Report.

### B. Disclosure of Accounting Treatment in preparation of Financial Statements

The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

### C. Risk Management Frame Work

The Company has laid down procedures to inform Board members about the risk assessment and mitigation procedures. These procedures will be periodically reviewed and further improvement/s, if any, suggested by the Management will be implemented.

## D. Code of Conduct

The Board of Directors had laid down two separate categories of Code of Conduct, one for the Executive Directors & Senior Management Personnel and the other for Non-Executive Directors. Copies of the two Codes of Conduct are available on the website of the Company: www.indianhumepipe.com. All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by Mr. Rajas R. Doshi, Chairman & Managing Director is given in this report.

## E. Code for Prevention of Insider-Trading

In compliance with SEBI's regulation on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for prevention of Insider Trading for its Directors and Designated Employees and their dependents. The code lays down guidelines, which regulates Trading Window period, seeks disclosures of annual holdings and prohibits dealing in shares of the Company during the closure of Trading Window, besides compliance with other related matters.

## F. CEO/CFO Certification

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the Chairman & Managing Director and the Controller of Accounts & Finance of the Company have issued a certificate to the Board of Directors, for the year ended 31st March, 2012.

## V. SHAREHOLDER INFORMATION

### (i) Annual General Meeting

The Eighty Sixth Annual General Meeting of the Company will be held on Wednesday, 25th July, 2012 at 4.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber Building, Churchgate, Mumbai - 400 020 to transact such business as stated in the Notice of the Meeting.

### (ii) Financial Calendar

Financial year: 1st April to 31st March.

Reporting of Unaudited Financial Results with Limited Review for quarter ended :

June, 2012 - by 14th August, 2012.

September, 2012 - by 14th November, 2012.

December, 2012 - by 14th February, 2013.

Audited financial results for the year ended 31st March, 2013 - by end of May, 2013.

AGM for the year ended 31st March, 2013 - by end of July, 2013.

Note : The above dates are indicative.

### (iii) Book Closure

Friday, 13th July, 2012 to Wednesday, 25th July, 2012 (both days inclusive).

### (iv) Dividend Payment Date

On or after Monday, 30th July, 2012.

### (v) Listing of Equity Shares on Stock Exchanges

1. BSE Ltd.
2. National Stock Exchange of India Limited

## CORPORATE GOVERNANCE REPORT

The Company has paid the Listing Fees to BSE Ltd. and National Stock Exchange of India Limited.

### (vi) Stock Codes :

BSE Ltd. (BSE)	504741
National Stock Exchange of India Ltd. (NSE)	INDIANHUME
Demat International Securities Identification Number (ISIN) in NSDL and CDSL for Equity Shares	INE 323C01030

### (vii) Stock Market price data:

High/low prices during each month in last financial year on BSE Ltd and National Stock Exchange of India Limited.

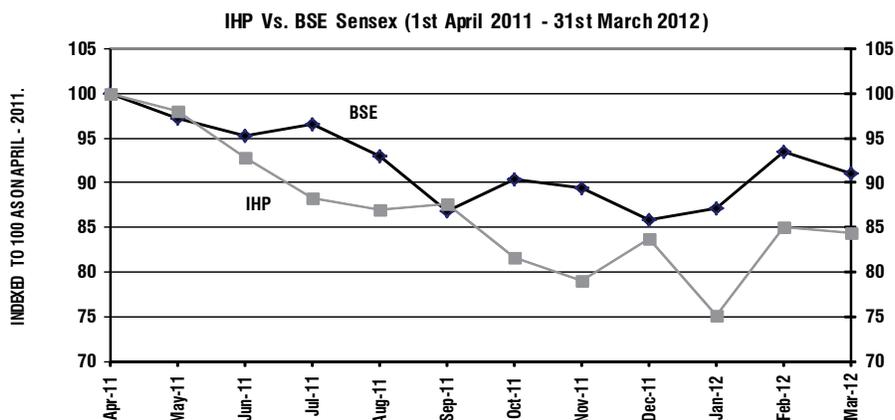
Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2011	153	128	153	128
May 2011	150	123	157	124
June 2011	142	123	144	119
July 2011	135	120	139	123
August 2011	133	108	130	106
September 2011	134	115	135	114
October 2011	125	109	130	109
November 2011	121	101	121	101
December 2011	128	81	115	82
January 2012	115	86	120	87
February 2012	130	106	129	103
March 2012	129	92	130	93

### (viii) Stock Performance in comparison to BSE Sensex

Month	BSE Sensex				IHP Price (₹)			
	Open	High	Low	Close	Open	High	Low	Close
April 2011	19463	19811	18976	19136	131	153	128	141
May 2011	19224	19254	17786	18503	150	150	123	126
June 2011	18527	18873	17314	18846	125	142	123	127
July 2011	18975	19132	18132	18197	129	135	120	123
August 2011	18352	18440	15766	16677	123	133	108	121
September 2011	16964	17212	15801	16454	122	134	115	115
October 2011	16256	17908	15745	17705	118	125	109	113
November 2011	17541	17702	15479	16123	113	121	101	106
December 2011	16556	17004	15136	15455	106	128	81	89
January 2012	15535	17259	15358	17194	93	115	86	107
February 2012	17180	18524	17062	17753	107	130	106	108
March 2012	17715	18041	16921	17404	107	129	92	103

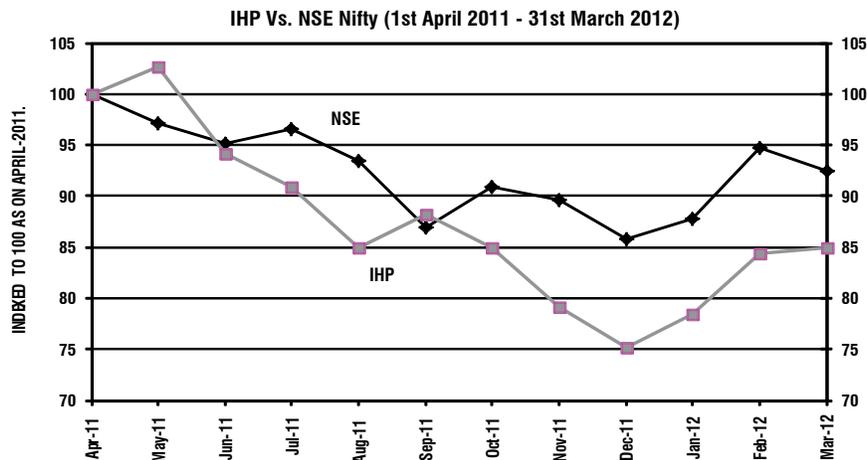
### (ix) Performance in comparison to the BSE Sensex & NSE Nifty :

The following charts show the performance of price of Company's Shares as compared to the BSE Sensex & NSE Nifty during the year 2011-12.



## CORPORATE GOVERNANCE REPORT

BSE Sensex and IHP Shares Prices are indexed to 100 at the beginning of April-2011.



NSE Nifty and IHP Shares Prices are indexed to 100 at the beginning of April-2011.

### (x) Pattern of shareholding as on 31st March, 2012

Sr. No.	Description	Number of Shares	% to paid-up capital
1	Promoters	1,69,37,385	69.92
2	Directors & Relatives	72,195	0.30
3	Public Financial Institutions	415	0.00
4	Banks	42,605	0.18
5	Non Resident Indians / Non-resident	51,295	0.21
6	Bodies Corporate	8,01,695	3.31
7	Public	63,17,995	26.08
	<b>TOTAL</b>	<b>2,42,23,585</b>	<b>100.00</b>

### (xi) Distribution of shareholding as on 31st March, 2012

Shares Held	No. of Shareholders	% to Shareholders	No. of Shares	% to Capital
Up to – 500	10,957	84.58	15,28,388	6.31
501 – 1000	914	7.06	7,23,696	2.99
1001 – 2000	509	3.93	7,47,621	3.09
2001 – 3000	234	1.81	5,80,280	2.40
3001 – 4000	74	0.57	2,64,228	1.09
4001 – 5000	94	0.73	4,33,239	1.79
5001 – 10000	114	0.88	8,16,982	3.37
10001 - and above	58	0.45	1,91,29,151	78.97
<b>TOTAL</b>	<b>12,954</b>	<b>100.00</b>	<b>2,42,23,585</b>	<b>100.00</b>

### (xii) Promoters Group

1.	IHP Finvest Ltd.
2.	Ratanchand Investment Pvt. Ltd.
3.	Mr. Rajas R. Doshi *
4.	Ms. Jyoti R. Doshi
5.	Mr. Aditya R. Doshi
6.	Mr. Mayur R. Doshi

\* Includes shares held under HUF and under Trust.

### (xiii) Dematerialization of Shares and Liquidity as on 31st March, 2012.

Physical Form	: 3.85%
Dematerialised Form	: 96.15%

Trading in equity shares of the Company is permitted in dematerialized form only as mandated by Securities and Exchange Board of India.

### (xiv) Registrar and Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.  
 Unit: The Indian Hume Pipe Company Limited.  
 C-13, Pannalal Silk Mills Compound,  
 L. B. S. Marg, Bhandup (West), Mumbai - 400 078.  
 Tel. No. 022-25946970-78  
 Fax No. 022-25946969  
 E-mail: rnt.helpdesk@linkintime.co.in

## CORPORATE GOVERNANCE REPORT

### (xv) Share Transfer System

All the transfers received in physical form are processed by the Registrar and Share Transfer Agent of the Company and approved by the Managing Director of the Company, twice a month or more depending on the volume of transfers and reports to the Board of Directors.

### (xvi) Outstanding ADRs / GDRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity.

The Company has not issued any ADRs / GDRs / Warrants or any convertible instruments.

### (xvii) Plant Locations:

The total number of factories of the Company are 22.

### (xviii) Address for correspondence

Mr. S. M. Mandke - Company Secretary  
Construction House, 2nd floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001  
Tel. : 022-22618091 / 22618092 / 40748181  
Fax : 022-22656863  
E-mail : investorsgrievances@indianhumepipe.com /  
shares@indianhumepipe.com

## VI. OTHER DISCLOSURES

- The Annual General Meetings of the Company during the previous 3 years were held at Walchand Hirachand Hall, 4th floor, Indian Merchants Chamber Building, Churchgate, Mumbai - 400 020. The date and time of the Annual General Meetings and the special resolutions passed there at are as follows:

Year	Date	Time	Special Resolutions
2008-09	27-07-2009	4.00 p.m.	Payment of commission to Non-Executive Directors
2009-10	29-07-2010	4.00 p.m.	Sub-division of Equity Shares of the Company of the face value of ₹ 10/- each into 5 Equity Shares of the face value of ₹ 2/- each.
2010-11	27-07-2011	4.00 p.m.	A. (i) Revision in monthly remuneration and perquisites of Mr. Mayur R. Doshi, General Manager of the Company w.e.f.1st November, 2010.  (ii) Annual efficiency Incentive and special efficiency incentive to be paid to Mr. Mayur R. Doshi, General Manager of the Company for the financial year 2009-10.

Year	Date	Time	Special Resolutions
			(iii) Annual Efficiency Incentive and Special Efficiency Incentive to be paid to Mr. Mayur R. Doshi, General Manager of the Company for the financial year 2010-11.
			B. Revision of pay scales (on time scale basis) new salary and perquisites scales of monthly remuneration (salary & perquisites) of Mr. Mayur R. Doshi, General Manager of the Company w.e.f.1st May, 2011.

No special resolution was passed through postal ballot during 2011-12. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

### 2. Details of non-compliance etc.

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

### 3. Means of Communication

The quarterly, half yearly & yearly results are published in The Economic Times and Maharashtra Times which are national and local dailies. These are not sent individually to the Shareholders. The Company results and official news releases are displayed on the Company's website <http://www.indianhumepipe.com>.

### 4. Management Discussion & Analysis Report

The Management Discussion & Analysis Report (MDA) has been attached to the Directors' Report and forms part of this Annual Report.

### 5. Compliance with mandatory & non-mandatory requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.



## **CORPORATE GOVERNANCE REPORT**

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Further, the Company has adopted the following non-mandatory requirements of the Clause:

- The Company has set up the Remuneration Committee.
  - Although the Company does not have any Whistle Blower Policy, any employee, if he / she desires, have free access to meet Audit Committee/ senior management and report any matter of concern.
- 

### **DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

To

The Members of The Indian Hume Pipe Co. Ltd.

I, Rajas R. Doshi, Chairman & Managing Director of The Indian Hume Pipe Co. Ltd., declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Codes of Conduct.

**Rajas R. Doshi**  
Chairman & Managing Director

Place : Mumbai  
Date : 28<sup>th</sup> May, 2012

### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of  
The Indian Hume Pipe Company Limited  
Mumbai – 400001

We have examined the compliance of conditions of Corporate Governance by The Indian Hume Pipe Co. Ltd. for the financial year ended 31st March, 2012 as stipulated in Clause 49 of 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 examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 above mentioned Listing Agreement.

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 K. S. Aiyar & Co.**  
Chartered Accountants  
Registration No.100186W

**Raghuvir M. Aiyar**  
Partner  
Membership No.38128

Place : Mumbai  
Date : 29th May, 2012

## Auditors' Report

To the Members of

The Indian Hume Pipe Company Limited

1. We have audited the attached Balance Sheet of The Indian Hume Pipe Company Limited as at 31st March, 2012, Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
  2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
  4. Without qualifying our opinion, we draw attention to note 2.45 of the notes to accounts regarding application seeking approval from Central Government for the excess remuneration paid to managerial personnel.  
Further to our comments in the Annexure referred to in 3 above, we report that:
    - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
    - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books. The Branch Auditor's Reports have been forwarded to us and have been appropriately dealt with in this report;
- (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches;
  - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - (v) On the basis of written representations received from the Directors as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the Balance Sheet of the state of the affairs of the Company as at 31st March, 2012;
    - b) in case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
    - c) in the case of Cash Flow statement, of the cash flows for the year ended on that date.

**For K. S. Aiyar & Co,**  
Chartered Accountants  
Registration No: 100186W

Place: Mumbai  
Date: 29th May, 2012

**Raghuvir M. Aiyar**  
Partner  
Membership No.: 38128



## ANNEXURE TO AUDITORS' REPORT

Re: The Indian Hume Pipe Company Limited

Referred to in paragraph 3 of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) Fixed assets have been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such physical verification.
- (c) The fixed assets disposed off during the year were not substantial. According to the information and explanation given to us, we are of the opinion that the disposal of the fixed assets has not affected the going concern status of the Company.
- (ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The Company has not granted any loans, secured or unsecured to the companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub clause (b), (c) and (d) are not applicable.
- (b) The Company has not taken any loans, secured or unsecured from the companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub clause (f) & (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) According to the information and explanations given to us, there were no contracts or arrangements that needed to be entered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub clause (b) is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with provisions of sections 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. As informed to us, no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records for determining whether they are accurate or complete.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Fringe Benefit Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, undisputed dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Wealth-Tax, Service Tax, Sales-Tax, Customs duty, Excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Period to which the amount relates	Due date	Date of payment
Central Excise Act, 1944	CENVAT Reversal	2.91	2009-10	-	Not yet reversed
Andhra Pradesh Value Added Tax Act, 2005	Works Contract Tax	3.57	2006-07	20-04-2011	Not paid

- (b) According to the records of the Company, there are no dues of Sales Tax, Income Tax, Fringe Benefit Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess which have not been deposited on account of any dispute other than those detailed below:

(₹ in lacs)

Name of Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending		
			Commissionerate/ Dy. Commissionerate	Appellate Tribunal Authorities	High Court
Sales Tax / VAT	Tax /Penalty/ Interest	1980-81	-	-	1.09
		1982-83	-	-	2.57
		1986-87	-	-	1.78
		1989-90	-	25.31	75.15
		1990-91	-	35.70	66.84

## ANNEXURE TO AUDITORS' REPORT

(₹ in lacs)

Name of Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending		
			Commissionerate/ Dy. Commissionerate	Appellate Tribunal Authorities	High Court
		1991-92	-	31.31	15.09
		1992-93	-	15.40	90.82
		1993-94	-	14.39	88.83
		1994-95	-	34.74	70.16
		1995-96	-	72.49	158.44
		1996-97	-	-	78.15
		1997-98	-	-	66.46
		1998-99	-	-	59.30
		1999-00	-	-	5.81
		2000-01	-	-	85.30
		2001-02	-	-	197.15
		2002-03	-	70.56	167.40
		2003-04	-	-	120.21
		2004-05	-	-	59.95
		2005-06	5.08	-	32.53
		2006-07	1.38	-	34.45
		2007-08	0.25	-	-
		2008-09	0.14	16.47	-
		2009-10	47.46	-	-
		2010-11	12.08	-	-
		2011-12	10.23	-	-
Central Excise Act, 1944	Duty, Interest and Penalty on Valuation/ Classification/ Tariff	1978-79	1.06	-	-
		1981-82	0.37	-	-
		1982-83	0.11	-	-
		1985-86	0.06	-	-
		1990-91	-	1.73	-
		1991-92	0.57	0.80	-
		1992-93	0.15	-	-
		1993-94	-	0.35	-
		1994-95	7.01	3.10	-
		1995-96	0.59	1.61	-
		1996-97	0.53	-	-
		1997-98	0.71	-	-
		1998-99	0.80	-	-
		1999-00	0.51	-	-
		2000-01	1.25	-	-
		2004-05	11.89	8.44	-
		2005-06	-	4.80	-
		2006-07	-	5.40	211.53
		2007-08	-	0.71	-
		2008-09	38.59	439.34	-
		2009-10	-	0.74	-
		2010-11	5.96	136.85	-
		2011-12	28.20	4.74	-
Service Tax	Tax, Penalty, Interest	2008-09	-	1.80	-
		2009-10	-	3.06	-
		2010-11	6.27	-	-



## **ANNEXURE TO AUDITORS' REPORT**

- (x) The Company does not have any accumulated losses as per the Balance Sheet as at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund/ Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us, and on an overall examination of Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) There are no debentures issued by the Company during the year and therefore the requirement of creation of security or charge is not applicable.
- (xx) The Company has not raised any money during the year by public issue.
- (xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For K. S. Aiyar & Co,**  
Chartered Accountants  
Registration No: 100186W

Place: Mumbai  
Date: 29th May, 2012

**Raghuvir M. Aiyar**  
Partner  
Membership No.: 38128

# BALANCE SHEET AS AT 31 ST MARCH, 2012

	Note	As at March 31, 2012	₹ in lacs As at March 31, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	2.1	484.47	484.47
Reserves and surplus	2.2	21560.56	20531.26
		<b>22045.03</b>	<b>21015.73</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	2.3	–	72.19
Deferred tax liabilities (Net)	2.4	0.50	–
Other Long term liabilities	2.5	1567.78	1251.14
Long-term provisions	2.6	130.33	108.74
		<b>1698.61</b>	<b>1432.07</b>
<b>Current Liabilities</b>			
Short-term borrowings	2.7	14851.04	18294.90
Trade payables	2.8	12045.00	13880.20
Other current liabilities	2.9	16661.06	11762.26
Short-term provisions	2.10	903.95	1012.34
		<b>44461.05</b>	<b>44949.70</b>
<b>TOTAL</b>		<b>68204.69</b>	<b>67397.50</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets			
Tangible assets	2.11	6891.04	7210.67
Intangible assets	2.11	20.20	0.01
Capital work-in-progress	2.11	474.73	9.43
		<b>7385.97</b>	<b>7220.11</b>
Non-current investments	2.12	151.99	141.00
Defered tax assets (net)	2.4	–	118.80
Long-term loans and advances	2.13	695.06	787.58
Other non-current assets	2.14	1815.93	1231.74
		<b>2662.98</b>	<b>2279.12</b>
<b>Current Assets</b>			
Inventories	2.15	29203.97	32815.14
Trade receivables	2.16	13951.77	10224.24
Cash and bank balances	2.17	2664.49	3885.96
Short-term loans and advances	2.18	12276.72	10950.85
Other current assets	2.19	58.79	22.08
		<b>58155.74</b>	<b>57898.27</b>
<b>TOTAL</b>		<b>68204.69</b>	<b>67397.50</b>
Accompanying significant accounting policies and notes form integral part of the financial statements	1 & 2		

As per our Report of even date

For K. S. AIYAR & CO.  
Chartered Accountants  
Registration No. 100186W

RAGHUVIR M. AIYAR  
Partner  
(M No-38128)  
Mumbai, 29th May, 2012

For and on behalf of the Board

RAJAS R. DOSHI Chairman & Managing Director

JYOTI R DOSHI  
RAJENDRA M. GANDHI  
RAMESHWAR D. SARDA  
N. BALAKRISHNAN  
ANIMA B. KAPADIA  
VIJAY KUMAR JATIA  
P. D. KELKAR } Directors

MAYUR R. DOSHI Executive Director

S. M. MANDKE Company Secretary  
Mumbai, 28th May, 2012



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

		₹ in lacs	
	Note	For the Year 2011-12	For the Year 2010-11
<b>INCOME</b>			
Revenue from operations	2.20	51716.92	64852.90
Other income	2.21	855.55	222.78
<b>Total Revenue</b>		<b>52572.47</b>	<b>65075.68</b>
<b>EXPENSES</b>			
Cost of materials consumed	2.22	7848.15	12274.46
Changes in inventories of finished goods and Work in Progress	2.23	(195.50)	(84.53)
Construction expenses	2.24	30893.86	35134.05
Manufacturing and other expenses	2.25	768.52	963.78
Employee benefits expenses	2.26	3563.10	3781.89
Excise duty and taxes	2.27	3013.89	3683.30
Finance Costs	2.28	2368.01	2058.93
Depreciation and amortization expenses	2.29	694.35	739.62
Other expenses	2.30	2263.37	2336.46
<b>Total Expenses</b>		<b>51217.75</b>	<b>60887.96</b>
Profit before extraordinary items and tax		1354.72	4187.72
Extraordinary Items	2.31	884.58	47.79
<b>Profit Before Tax</b>		<b>2239.30</b>	<b>4235.51</b>
Tax expenses			
Current tax		527.64	1481.56
Deferred tax		119.30	(43.00)
		<b>646.94</b>	<b>1438.56</b>
<b>Profit for the year</b>		<b>1592.36</b>	<b>2796.95</b>
Earnings per equity share			
Nominal value per share ₹ 2/- ( Previous Year ₹ 2/- )			
(1) Basic and Diluted ( including extraordinary items )		6.57	11.55
(2) Basic and Diluted ( excluding extraordinary items )		3.66	11.39
Accompanying significant accounting policies and notes form integral part of the financial statements	1 & 2		

As per our Report of even date

For K. S. AIYAR & CO.  
Chartered Accountants  
Registration No. 100186W

RAGHUVIR M. AIYAR  
Partner  
(M No-38128)

Mumbai, 29th May, 2012

For and on behalf of the Board

RAJAS R. DOSHI

Chairman & Managing Director

JYOTI R DOSHI  
RAJENDRA M. GANDHI  
RAMESHWAR D. SARDA  
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ANIMA B. KAPADIA  
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P. D. KELKAR

Directors

MAYUR R. DOSHI

Executive Director

S. M. MANDKE

Company Secretary

Mumbai, 28th May, 2012

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	2011-12	2010-11
₹ in lacs		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit Before Tax	2239.30	4235.51
Rent against fixed assets & Lease Rentals	0.02	0.02
Depreciation and amortisation expenses	694.35	739.62
Interest Expenses	2130.33	1786.26
Bad Debts Written off	20.54	143.89
Interest Income	(119.26)	(104.50)
Dividend Income	(16.55)	(8.05)
Profit on sale of fixed assets/Investments	(540.56)	(52.52)
Operating profit before working capital changes	<u>4408.17</u>	<u>6740.23</u>
Trade and Other Receivables	(3663.05)	(3150.40)
Inventories	2315.25	1086.66
Trade and other Payables	562.35	(486.66)
Cash Generated from Operations	<u>(785.45)</u>	<u>(2550.40)</u>
Direct Taxes Paid	3622.72	4189.83
<b>Net Cash from Operating Activities</b>	<u>(1208.07)</u>	<u>(2097.85)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>	<u>2414.65</u>	<u>2091.98</u>
Purchase of Fixed Assets	(982.42)	(1450.81)
Sale of Fixed Assets	659.72	69.95
Sale of Investments	6866.78	6446.05
Purchase of Investments	(6874.76)	(4834.93)
Interest Received	77.73	100.85
Dividend Received	16.55	8.05
<b>Net Cash flow from Investing Activities</b>	<u>(236.40)</u>	<u>339.16</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Borrowings	11711.85	4754.82
Repayment of Borrowings	(12486.05)	(3380.03)
Dividend Paid	(484.47)	(484.47)
Interest Paid	(2141.04)	(1793.92)
<b>Net Cash used in Financing Activities</b>	<u>(3399.71)</u>	<u>(903.60)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(1221.46)</u>	<u>1527.54</u>
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR</b>	<u>3885.96</u>	<u>2358.42</u>
<b>CASH AND CASH EQUIVALENTS AS AT END OF YEAR</b>	<u>2664.50</u>	<u>3885.96</u>
	<u>(1221.46)</u>	<u>1527.54</u>
Accompanying significant accounting policies and notes form integral part of the financial statements	1 & 2	

As per our Report of even date

For K. S. AIYAR & CO.  
Chartered Accountants  
Registration No. 100186W

RAGHUVIR M. AIYAR  
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Mumbai, 29th May, 2012

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}

Directors

MAYUR R. DOSHI

Executive Director

S. M. MANDKE

Company Secretary

Mumbai, 28th May, 2012



# 1. SIGNIFICANT ACCOUNTING POLICIES

## 1.1 Method of Accounting

The Financial Statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 (as amended) to the extent applicable and with the relevant provisions of the Companies Act, 1956.

## 1.2 Management Estimates

The Financial Statements are prepared in conformity with generally accepted accounting principles and applicable accounting standards, which may require management to make estimates and assumptions. These may affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting periods.

## 1.3 Revenue Recognition

### A. Work Bills

#### Construction Contract Accounting & Contract-Work-in-Progress:

- a. Sales/Work Bills (Gross) represent running Bills raised against Value of the Work done either to the extent certified and paid for by Contractees or on completed works as per (d) below:
- b. Advances against Work in Progress received from Contractees are presented as a reduction from the Contract Work in Progress.
- c. Trade Receivables include work bills, work and other retentions receivable.
- d. Revenue arising from construction contracts is recognised in proportion to the stage of completion of work at the end of the accounting period in accordance with Accounting Standard-7 (revised): Accounting for Construction Contracts.
- e. The Percentage of Completion is applied by calculating the proportion that contract revenue to date bears to the total contract value and adjustments are made to include only those costs that reflect work performed.
- f. Contract-Work-in-Progress includes inventories against contracts at Factory, Laying Sites and Civil Works and represents the value of the work done not certified or not paid for by Contractees and are valued at Contract Price or at Proportionate Contract Price based on the equivalent stage of completion as estimated by Management inclusive of relevant excise duty.
- g. Provision is made for future losses and estimated costs of post-works maintenance and warranties as per contractual terms.
- h. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. The changes in estimates are reflected in the financial statements in the period in which changes are made.

### B. Sales (Other than Construction Contracts)

- a. Sales of Goods - mainly consist of sale of manufactured pipes/sleepers and sale of Air Rifles, Air Pistols and Accessories and Technical Know-how.
- b. Revenue from such sales is recognised on dispatches of goods from the factory.
- c. Sales are inclusive of excise duty.

## 1.4 Claims

Expenditure incurred in respect of additional costs/delays on contracts are accounted for in the year in which these are incurred. Claims made in respect thereof are accounted as income in the year of acceptances by the clients or evidence of acceptance received from the clients.

## 1.5 Export/Deemed Export Benefits

Cash compensatory support or export/deemed export related benefits on the works executed/under execution are accounted on confirmation/acceptance of such claims by relevant authorities and approved for payment.

## 1.6 Accounting for Joint Venture Contracts

For Contracts executed in Joint Venture, since there is no deployment of common resources, share of revenue is accounted on the basis similar to those adopted for contracts independently executed by the company.

## 1.7 Fixed Assets - Tangible and Intangible Assets and Capital Work-in -Progress

- a. Fixed Assets are stated at cost including CENVAT wherever applicable, less accumulated depreciation and amortisation provision for impairment of losses, if any.
- b. Self constructed/manufactured assets are capitalised at cost including appropriate overheads.
- c. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

## SIGNIFICANT ACCOUNTING POLICIES

- d. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and provision for impairment of losses if any.

### 1.8 Depreciation and amortization

Depreciation on the assets is provided on Written Down Value Method on pro-rata basis as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Individual low cost assets (acquired for Rs. 5000/- or less ) are depreciated in the year of acquisition. Intangible assets are amortized over their respective individual estimated useful lives on a straight- line basis commencing from the date the assets are available to the Company for its use.

### 1.9 Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

### 1.10 Research and Development

Revenue expenses on research and development are charged to Statement of Profit & Loss Account and Capital Expenditure are included in fixed assets under relevant assets and depreciated on the same basis as other fixed assets.

### 1.11 Investments

Long term investments are stated at cost less provision for decline in the value, other than of temporary nature. Current investments are valued at cost or market value whichever is lower.

### 1.12 Foreign Exchange Translation and Accounting of Foreign Exchange Transactions

- a) Foreign exchange transactions are converted into Indian rupees at the prevailing rate on the date of the transaction.
- b) Gains or losses arising out of remittance/translations at the year-end are credited/ debited to the Statement of profit and loss account for the year except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- c) Current assets and current liabilities are translated at the exchange rate prevailing on the last day of the year.

### 1.13 Inventories: Stock in Trade & Work-in-Progress

- a. The stock of raw materials, stores, bought outs and fuel are valued at cost on FIFO basis or net realisable value whichever is lower.
- b. Certain items of Pipe Laying and Auxiliary Equipments are classified as Current Assets and 95% of their original cost is amortised equally over a period of five years.
- c. Finished Goods including bought-out items not allocated to any particular contracts are valued at lower of cost on absorption method (inclusive of relevant estimated excise duty) or net realisable value.
- d. Goods-in-process are valued at contract rates or cost whichever is lower.
- e. Products of the National Rifle Division at Vatva are valued as follows:
  - i) The Stock of Raw Materials, Stores, Bought outs and fuel are stated at cost on FIFO basis or net realisable value whichever is lower.
  - ii) Finished goods are valued at lower of cost or net realisable value and are inclusive of relevant estimated excise duty.

### 1.14 Employee Benefits

#### i) Defined Contribution Plan

- a. Company's Contribution paid/payable during the year to Provident Fund, ESIC and Labour Welfare Fund are charged to Revenue. In case there is any shortfall in the fund assets based on Government specified minimum rate of return of Provident Fund in respect of CEPF which is managed by the company, the same is reimbursed and charged to Revenue. There are no other obligations other than the contribution payable to the respective trusts.
- b. **Provident Fund:** The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees salary (currently 12% of employees salary). The contributions as specified under law paid to provident fund and pension fund set up as irrecoverable trust by the Company or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme. The Company is generally liable for annual contributions and any shortfall in the fund assets based on government specified minimum rates of return of provident fund and recognises such contributions and shortfall, if any, as an expense in the year incurred.



## SIGNIFICANT ACCOUNTING POLICIES

### ii) Defined Benefit Plan

**Gratuity and leave encashment:** Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past Services are recognised on a Straight Line basis over the average period until the amended benefits becomes vested. Actuarial gain and losses are recognised immediately in the Statement of Profit & Loss Account as Income or Expense. Obligation is measured at the present value of estimated future cash flow using a discounted rate that is determined by the reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

**iii) Other Benefits :** Compensated absences for sick leave are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

### 1.15 Taxation

Income Tax expenses comprise of current tax, deferred tax charge/credit. Current Tax is recognised on the basis of taxable income determined in accordance with the provision of the Income Tax Act, 1961.

The deferred tax credit/charge is recognised on all timing differences subject to consideration of prudence, applying the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case law to re-assess realisation/liabilities.

### 1.16 Leases

Lease rentals in respect of assets acquired under operating lease are charged to Revenue.

### 1.17 Earning per Share

In determining operating and total earnings per share, the Company considers the operating net profit after tax and effect of any extra ordinary items (net of tax). The number of shares used in the computing basic earning per share is the weighted average number of shares outstanding during the period.

### 1.18 Contingencies and Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

Contingent liabilities are disclosed after careful evaluation of the facts and legal aspects of matter involved.

Contingent assets are neither recognised nor disclosed.

## 2. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

₹ in lacs

Particulars	As at March 31,2012	As at March 31,2011
<b>2.1 SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
5,00,00,000 (5,00,00,000) Equity Shares of ₹ 2/- each.	<b>1000.00</b>	1000.00
<b>Issued,Subscribed and Paid-up</b>		
2,42,23,585 (2,42,23,585) Equity Shares of ₹ 2/- each fully paid-up.	<b>484.47</b>	484.47
Of the above:		
(i) 1,93,47,285 (1,93,47,285) equity shares fully paid-up have been issued as bonus shares by capitalisation of general reserves		
(ii) 18,75,000 (18,75,000) equity shares fully paid-up have been issued by part conversion of 13.5% debentures as per terms on 01-10-1993		
(iii) 1,59,67,080 (1,59,67,080) equity shares are held by holding company-IHP Finvest Ltd.		
(iv) 4,36,160 (4,36,160) equity shares are held by ultimate holding Company-Ratanchand Investment Pvt Ltd.		
a) Reconciliation of number of shares :		
There was no movement in the number and value of equity shares during the year		
b) Terms / rights attached to shares:		
The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.		
The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.		
c) Details of shares held by shareholders holding more than 5% of aggregate shares in the company.		

Name of the Shareholder	As at March 31, 2012		As at March 31, 2011	
	No of Shares	% held	No of Shares	% held
IHP Finvest Ltd	<b>1,59,67,080</b>	<b>65.92</b>	1,59,67,080	65.92



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

₹ in lacs

Particulars	As at March 31,2012	As at March 31,2011
<b>2.2 RESERVES AND SURPLUS</b>		
a) Debenture Redemption Reserve - Opening balance	-	500.00
Less: Transferred to Surplus	-	500.00
	-	-
b) General Reserve - Opening balance	<b>10007.09</b>	9007.09
Add: Transferred from Surplus	<b>300.00</b>	1000.00
	<b>10307.09</b>	10007.09
c) Surplus- Opening Balance	<b>10524.17</b>	8790.28
Add : i) Transferred from Debenture Redemption Reserve	-	500.00
ii) Net profit after tax transferred from Statement of Profit and Loss	<b>1592.36</b>	2796.95
Amount available for Appropriation	<b>12116.53</b>	12087.23
Less: Appropriations		
Proposed Dividend	<b>484.47</b>	484.47
Dividend per Share ₹ 2/- (Previous Year ₹ 2/-)		
Tax on Proposed Dividend	<b>78.59</b>	78.59
General Reserve	<b>300.00</b>	1000.00
	<b>863.06</b>	1563.06
Surplus - Closing Balance	<b>11253.47</b>	10524.17
<b>TOTAL</b>	<b>21560.56</b>	20531.26
<b>2.3 LONG-TERM BORROWINGS</b>		
Unsecured :		
Fixed Deposits	-	72.19
<b>TOTAL</b>	-	72.19
<b>2.4 Deferred tax Assets and Liabilities (Net)</b>		
Deferred tax liability for the period ended March 31st, 2012 has been provided on the estimated tax computation for the year.		
Major components of deferred tax assets and liabilities arising on account of timing differences are:		
Deferred tax liabilities		
Depreciation	<b>272.94</b>	124.16
Deferred tax assets		
Provision for doubtful debts and advances	<b>5.49</b>	7.51
Disallowances under Income Tax Act, 1961	<b>266.95</b>	235.45
<b>TOTAL</b>	<b>0.50</b>	(118.80)

Deferred tax assets and deferred tax liabilities have been offset as they relate to same governing taxation laws.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	As at March 31, 2012	As at March 31, 2011
<b>2.5 Other Long term liabilities</b>		
Income Tax provision for earlier years	708.00	645.53
Advances/Deposits from Contractees	77.39	82.38
Others	782.39	523.23
<b>TOTAL</b>	<b>1567.78</b>	<b>1251.14</b>
<b>2.6 Long Term Provisions</b>		
Provision for employee benefits For Compensated Absences	130.33	108.74
<b>TOTAL</b>	<b>130.33</b>	<b>108.74</b>
<b>2.7 Short Term Borrowings</b>		
I Secured Loans		
A) Cash Credit/Working Capital Demand Loans From Banks		
i) State Bank of India	169.45	-
ii) State Bank of Hyderabad	610.54	181.70
iii) Bank of Baroda	1165.08	-
iv) Corporation Bank	761.53	61.46
v) HDFC Bank	572.25	19.55
	<b>3278.85</b>	<b>262.71</b>
B) Short term loan from State Bank of India	7500.00	10000.00
All the above facilities are secured by hypothecation of stock in trade, work in progress and trade receivables current and future on pari passu basis with the consortium banks and by a second charge on the Company's freehold land, building and plant & machinery carrying rate of interest @ Base Rate + 1.50% to 4.50%.		
Loans under (A) above are payable on Demand and that under (B) above is for a period of 90 days from the date of availment.		
C) General Purpose Corporate Term Loan State Bank of India	-	366.68
In previous year General purpose Corporate Term Loan taken from State Bank of India was secured against a first charge on Company's Land situated at Badarpur, New Delhi carrying interest @ 5.40% above Base rate.		



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	As at March 31,2012	As at March 31,2011
<b>2.7 Short Term Borrowings (Continued)</b>		
II Unsecured Loans		
A) Short-term loans and advances from banks		
i) State Bank Of Hyderabad	2000.00	2000.00
ii) Bank of Nova Scotia	2000.00	3500.00
iii) Federal Bank	—	2000.00
	4000.00	7500.00
All the above loans are payable within 90 days carrying interest @ rate of 11.30% to 11.50% p.a.		
B) Fixed Deposits	72.19	165.51
Fixed Deposits carry interest @ 8.50% p.a. to 10.75% p.a. having a maturity period of 3 years.		
<b>TOTAL</b>	<b>14851.04</b>	<b>18294.90</b>
<b>2.8 Trade payables</b>		
Trade Payables		
(a) Due to micro and small enterprises	—	—
(b) Due to other than micro and small enterprises	12045.00	13880.20
<b>TOTAL</b>	<b>12045.00</b>	<b>13880.20</b>
<b>2.9 Other current liabilities</b>		
Employee benefits payable	502.28	460.28
Interest accrued and not due on borrowings	9.44	22.86
Interest accrued and due on borrowings	89.29	92.95
Investor education and protection fund will be credited by following amounts ( as and when due )		
a) Unpaid dividends	30.08	28.34
b) Unpaid matured deposits	8.43	16.37
	38.51	44.71
Security deposits and other retentions	150.20	34.48
Advances/Deposits from Contractees	6179.64	3429.14
Withholding and other taxes payable	246.95	221.68
Current account :Directors (Max balance Rs.0.14 previous year Rs.0.14)	0.14	0.14
Other Liabilities	9444.61	7456.02
<b>TOTAL</b>	<b>16661.06</b>	<b>11762.26</b>

Note : Current liabilities include Rs 1.99 lacs towards unclaimed amount of preference shares redeemed and Rs. 0.55 lacs towards unclaimed proceeds from sale of fractional shares issued pursuant to the bonus issue made by the Company in the year 2005 - 06.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

₹ in lacs

Particulars	As at March 31,2012	As at March 31,2011
<b>2.10 Short-term provisions</b>		
Provision for employee benefits		
Provision for gratuity	103.54	224.62
Provision for compensated absence	224.96	203.64
Proposed dividend	484.47	484.47
Provision for tax on proposed dividend	78.59	78.59
Provision for Wealth Tax	11.03	19.66
Provision for Fringe Benefit Tax	135.50	135.50
Less: Advance Payment of Fringe Benefit Tax	(134.14)	(134.14)
	1.36	1.36
<b>TOTAL</b>	<b>903.95</b>	<b>1012.34</b>

### 2.11 FIXED ASSETS

₹ in Lacs

Sr No	DISCRIPTION	GROSS BLOCK (at book value)				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 1-4-2011	Additions	Deductions/ Adjustment	As at 31-3-2012	As at 1-4-2011	Adjustment/ Deductions	For the Year	As at 31-3-2012	As at 31-3-2012	As at 31-3-2011
	<b>A) Tangible Assets</b>										
1	Free hold Land	1500.22	75.21	0.03	1575.40	-	-	-	-	1575.40	1500.22
2	Lease hold Land	2.05	-	1.97	0.08	0.83	0.85 *	0.01	-	0.08	1.22
3	Buildings	5017.09	131.75	138.33	5010.51	1499.58	33.96	271.90	1737.51	3272.99	3517.51
4	Plant & Machinery and Equipment	4920.07	218.82	132.12	5006.77	3030.37	122.72	340.31	3247.97	1758.80	1889.70
5	Furniture and Fixtures	104.33	8.33	4.24	108.42	77.50	2.20	6.76	82.06	26.36	29.94
6	Office Equipments	87.41	3.18	3.46	87.12	49.84	2.01	4.84	52.66	34.46	34.46
7	Vehicles	723.32	56.08	23.60	755.80	485.72	19.82	66.97	532.87	222.94	237.61
	<b>Total Tangible Assets</b>	<b>12354.49</b>	<b>493.37</b>	<b>303.75</b>	<b>12544.11</b>	<b>5143.83</b>	<b>181.56</b>	<b>690.80</b>	<b>5653.07</b>	<b>6891.04</b>	<b>7210.67</b>
	<b>B) Intangible Assets</b>										
1	Patents	3.45	-	-	3.45	3.44	-	-	3.44	0.01	0.01
2	Computer Software	-	23.75	-	23.75	-	-	3.56	3.56	20.19	-
	<b>Total Intangible Assets</b>	<b>3.45</b>	<b>23.75</b>	<b>-</b>	<b>27.20</b>	<b>3.44</b>	<b>-</b>	<b>3.56</b>	<b>7.00</b>	<b>20.20</b>	<b>0.01</b>
	<b>Grand Total</b>	<b>12357.94</b>	<b>517.12</b>	<b>303.75</b>	<b>12571.31</b>	<b>5147.27</b>	<b>181.56</b>	<b>694.36</b>	<b>5660.07</b>	<b>6911.24</b>	<b>-</b>
	<b>Total of previous year</b>	<b>10863.77</b>	<b>1560.31</b>	<b>66.14</b>	<b>12357.94</b>	<b>4453.93</b>	<b>46.31</b>	<b>739.64</b>	<b>5147.27</b>	<b>-</b>	<b>7210.68</b>
	Capital Work in Progress (including Advances)									474.73	9.43
	<b>Total</b>									<b>7385.97</b>	<b>7220.11</b>

\* Represents lease rent Written Off in "Rent on assets" Account.



# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ In Lacs)

2.12 INVESTMENTS				As at 31st March 2012			As at 31st March 2011		
Sr. No.	PARTICULARS	NOS.	FACE VALUE EACH	COST OR BOOK VALUE UNQUOTED	COST OR BOOK VALUE QUOTED	MARKET VALUE	COST OR BOOK VALUE UNQUOTED	COST OR BOOK VALUE QUOTED	MARKET VALUE
<b>NON - CURRENT INVESTMENTS</b>									
<b>A. LONG TERM INVESTMENTS</b>									
<b>TRADE INVESTMENT :</b>									
<b>IN CO-OPERATIVE SOCIETIES :</b>									
	- Mohan Small Scale Industries Co-operative Society Limited Equity Shares(Fully Paid)	1	1000	0.01	—	—	0.01	—	—
	- Adinath Co-operative Housing Society Limited Equity Shares(Fully Paid)	20	50	0.01	—	—	0.01	—	—
	- Shushrusha Citizens' Co-operative Hospital Ltd. Equity Shares (Fully Paid)	100	100	0.10	—	—	0.10	—	—
	- Walchand Co-operative Housing Society Ltd. Equity Shares(Fully Paid)	10	50	0.01	—	—	0.01	—	—
	- Hind Co-operative Housing Society Ltd. Equity Shares (Fully Paid)	5	50	—	—	—	—	—	—
	- Kalptaru ResidencyCo-operative Housing Society Ltd. Equity Shares (Fully Paid)	10	50	0.01	—	—	0.01	—	—
	- Las Palmas Co-operative Housing Society Ltd. Equity Shares (Fully Paid)	10	50	0.01	—	—	0.01	—	—
	- Godrej Properties Ltd Tower 2 "AQUA" Equity Shares (Fully Paid)	10	50	0.01	—	—	0.01	—	—
	- Ashok Kumar Towers Co-operative Housing Society Ltd Equity Shares (Fully Paid)	5	50	—	—	—	—	—	—
<b>OTHERS :</b>									
<b>IN GOVERNMENT SECURITIES :</b>									
	G. P. Notes			0.08	—	—	0.08	—	—
	Post Office Savings Certificates			0.02	—	—	0.02	—	—
<b>IN SHARES,DEBENTURES AND BONDS:</b>									
<b>IN EQUITY /PREFERENCE SHARES (Fully Paid)</b>									
	- Kapole Co-Operative Bank Ltd.	2000	10	0.20	—	—	0.20	—	—
	- Hindustan Construction Co. Ltd.	320000	1	—	9.92	82.24	—	9.92	116.32
	- Tata Consultancy Services Ltd	4000	1	—	8.50	46.71	—	8.50	47.30
	- National Thermal Power Corporation Ltd	16759	10	—	10.39	27.27	—	10.39	32.34
<b>IN CAPITAL TAX SAVINGS BONDS</b>									
	- National Highways Authority Of India	450	10000	45.00	—	—	—	—	—
<b>IN EQUITY LINK MUTUAL FUNDS (At Cost)</b>									
<b>UNITS OF MUTUAL FUNDS</b>									
	- JM Emerging Leaders Fund Growth	—	10	—	—	—	21.00	—	14.52
	- SBI Capital Protection Oriented Fund Series I	50000	10	5.00	—	5.75	5.00	—	5.48
<b>B. REAL ESTATE- PMS</b>									
	- HDFC AMC Ltd A/C REP			72.71	—	72.71	85.73	—	85.73
<b>CURRENT INVESTMENTS</b>									
	<b>CURRENT INVESTMENT</b>	--	--	--	--	--	--	--	--
	<b>UNITS IN MULUAL FUND</b>								
<b>TOTAL ==&gt;</b>				<b>123.18</b>	<b>28.81</b>	<b>234.69</b>	<b>112.19</b>	<b>28.81</b>	<b>301.69</b>
				<b>151.99</b>			<b>141.00</b>		

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	As at March 31,2012	As at March 31,2011
<b>2.13 Long term loans and advances</b>		
Unsecured considered good		
Capital advances	40.96	24.05
Security and other deposits	507.67	472.40
Advances recoverable in cash or kind	146.43	291.13
<b>TOTAL</b>	<b>695.06</b>	<b>787.58</b>
<b>2.14 Other non-current assets</b>		
Unsecured considered good		
Long term trade receivables	1811.22	1224.98
Others - Deposits with original maturity more than twelve months	4.71	6.76
<b>TOTAL</b>	<b>1815.93</b>	<b>1231.74</b>
<b>2.15 Inventories</b>		
( As valued and certified by the Management )		
Raw Materials, Stores & Spares		
Raw Materials (includes in transit Rs Nil, Previous Year Rs Nil )	996.62	1467.75
Stores and Spares (includes in Transit Rs. 2.89 lacs, Previous Year Rs 1.18 lacs )	637.71	404.33
Loose Tools	169.56	189.23
	<b>1803.89</b>	<b>2061.31</b>
Stock in Trade & Work in Progress		
Finished Goods	807.23	791.13
Work in Progress	375.63	196.22
	<b>1182.86</b>	<b>987.35</b>
Contract Work in Progress		
Work in Progress: Value of Work Done at Contract Rates		
i) At Laying Site	25507.50	27786.86
ii) At Factory	1022.85	2032.06
	<b>26530.35</b>	<b>29818.92</b>
Less: Progress Payments and Advances from contractees to the extent of value of work done	<b>(313.13)</b>	<b>(52.44)</b>
<b>TOTAL</b>	<b>26217.22</b>	<b>29766.48</b>
	<b>29203.97</b>	<b>32815.14</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	As at March 31, 2012	As at March 31, 2011
<b>2.16 Trade receivables</b>		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	3217.34	701.87
Others	10734.43	9522.37
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	16.91	23.15
Others	-	-
Less: provision for doubtful debts	(16.91)	(23.15)
<b>TOTAL</b>	<b>13951.77</b>	<b>10224.24</b>
<b>2.17 Cash and Bank balances</b>		
Cash and Cash equivalents		
Cash on Hand	18.27	15.50
Cheques on Hand	1470.21	1860.27
Balances with Banks		
In Current Accounts	646.05	768.49
Deposits with original maturity less than twelve months	394.96	1120.31
Margin money deposits	101.00	93.29
Unpaid dividend account	34.00	28.10
<b>TOTAL</b>	<b>2664.49</b>	<b>3885.96</b>
<b>2.18 Short-term loans and advances</b>		
Unsecured - considered good		
Advances receivable in cash or kind		
Other loans and advances		
Advance Payment of Taxes	6991.93	5857.64
Less : Provision for Taxation	(5839.87)	(5312.23)
	1152.06	545.41
Deposits with Excise Department	87.83	75.25
Security and Other Deposits	5195.28	5505.07
Others	5841.55	4825.12
<b>TOTAL</b>	<b>12276.72</b>	<b>10950.85</b>
<b>2.19 Other current assets</b>		
Unsecured - considered good		
Interest Receivable		
Interest accrued on Deposits	55.42	21.75
Interest accrued on Investments	3.37	0.33
<b>TOTAL</b>	<b>58.79</b>	<b>22.08</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	For the year 2011-12	For the year 2010-11
<b>2.20 Revenue from operations</b>		
Sale of products	8075.72	8323.76
Less: Excise Duty	851.75	596.49
	<b>7223.97</b>	<b>7727.27</b>
Contract Work Bills(Gross)	47072.28	60929.38
Add: Closing work in progress	26530.36	29818.93
Less: Opening work in progress	29818.93	33820.54
	<b>43783.71</b>	<b>56927.77</b>
<b>Other Operating Income</b>		
Miscellaneous Income	502.50	9.70
Liabilities written back to the extent no longer required	89.85	111.21
Sale of Scrap	116.89	76.95
	<b>709.24</b>	<b>197.86</b>
<b>TOTAL</b>	<b>51716.92</b>	<b>64852.90</b>
<b>2.21 Other income</b>		
Dividend Income	16.55	8.05
Interest Income	119.26	104.50
Profit On Sale of Investments (Net)	-	2.38
Profit On Sale of Fixed Assets	537.53	2.33
Interest received on compensation for Acquisition of land	42.18	-
Miscellaneous Income	140.03	105.52
<b>TOTAL</b>	<b>855.55</b>	<b>222.78</b>
<b>2.22 Cost of materials consumed</b>		
Raw Materials Consumed		
Opening Inventory	1467.75	1351.17
Add : Purchases	6553.55	11510.33
Less: Inventory at the end of the year	996.62	1467.75
	<b>7024.68</b>	<b>11393.75</b>
Stores and Spares Consumed	823.47	880.71
<b>TOTAL</b>	<b>7848.15</b>	<b>12274.46</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	For the year 2011-12	For the year 2010-11
<b>2.23 Changes in inventories of finished goods and Work in Progress</b>		
(Increase)/decrease in stocks		
Stock at the end of the year:		
Finished Goods	807.23	791.13
Work-in-progress	375.63	196.23
Total A	<u>1182.86</u>	<u>987.36</u>
Less : Stock at the beginning of the year:		
Finished Goods	791.13	860.30
Work-in-progress	196.23	42.53
Total B	<u>987.36</u>	<u>902.83</u>
<b>TOTAL (B-A)</b>	<u><u>(195.50)</u></u>	<u><u>(84.53)</u></u>
<b>2.24 Construction Expenses</b>		
Subcontracting Expenses	24610.86	28717.48
Consumption of Boughtout Items		
Opening Inventory	120.26	155.64
Add: Purchases	<u>5307.49</u>	<u>4645.96</u>
	5427.75	4801.60
Less: Inventory at the end of the year	<u>(335.89)</u>	<u>(120.26)</u>
	5091.86	4681.34
Transport	1191.14	1735.23
<b>TOTAL</b>	<u><u>30893.86</u></u>	<u><u>35134.05</u></u>
<b>2.25 Manufacturing and other expenses</b>		
Fabrication Charges	368.35	450.53
Lining and Outcoating Expenses	123.76	143.32
Power & Fuel	276.41	369.93
<b>TOTAL</b>	<u><u>768.52</u></u>	<u><u>963.78</u></u>
<b>2.26 Employee benefits expenses</b>		
a) Salary,Wages,Bonus & Commission	3060.21	3160.47
b) Contribution to / Provision for Provident fund and Other Funds	404.23	528.00
c) Staff Welfare Expenses	98.66	93.42
<b>TOTAL</b>	<u><u>3563.10</u></u>	<u><u>3781.89</u></u>

For details of Employee benefits refer to note no. 2.37.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	₹ in lacs	
	For the year 2011-12	For the year 2010-11
<b>2.27 Excise duty and taxes</b>		
Excise duty	335.43	644.50
Works contract tax*	2150.12	2256.72
Other taxes	528.34	782.08
<b>TOTAL</b>	<b>3013.89</b>	<b>3683.30</b>

\* Includes Rs 425.05 lacs towards WCT liability on accrual basis. Since the Company is following AS7 accounting for construction contracts, the same was provided in cost to completion, hence there is no impact on profit for the year.

<b>2.28 Finance Costs</b>		
Interest expenses		
On Term Loans	1963.58	1426.82
On Fixed Deposits	14.86	38.53
On Cash Credits & Others	151.89	320.91
On Tax Provision and interest	62.47	62.47
	<b>2192.80</b>	<b>1848.73</b>
Other borrowing costs	175.21	210.20
<b>TOTAL</b>	<b>2368.01</b>	<b>2058.93</b>

<b>2.29 Depreciation and amortization expenses</b>		
Depreciation on Tangible assets	690.79	739.62
Amortisation on Intangible assets	3.56	-
<b>TOTAL</b>	<b>694.35</b>	<b>739.62</b>

<b>2.30 Other expenses</b>		
a) Printing and Stationery	60.09	64.07
b) Communication Expenses	80.43	87.79
c) Travelling and Conveyance	469.36	475.42
d) Rent	300.95	278.99
Less: Recovery	(38.77)	(34.82)
	<b>262.18</b>	<b>244.17</b>
e) Rates and Taxes	29.65	34.89
f) Insurance	270.93	213.32
g) Repairs :		
Machinery	72.06	155.87
Buildings	40.78	33.94
Others	105.50	111.93
	<b>218.34</b>	<b>301.74</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

₹ in lacs

Particulars	For the year March 31,2012	For the year March 31,2011
<b>2.30 Other expenses (Continued)</b>		
h) Legal and Professional Charges	<b>218.74</b>	149.88
i) Directors' Sitting Fees	<b>5.20</b>	4.60
j) Commission to Non Executive Directors	<b>10.15</b>	16.00
k) Payment to Auditors'		
As Auditor :		
Audit fees	<b>17.61</b>	13.78
Tax Audit Fees	<b>3.41</b>	2.71
Certification & Consultation fees	<b>1.57</b>	1.48
Cost Audit fees	<b>3.27</b>	0.90
Reimbursement of expenses	<b>1.23</b>	1.50
	<b>27.09</b>	20.37
l) Freight	<b>42.43</b>	53.08
m) Bad Debts and Advances Written Off	<b>12.28</b>	143.87
n) Donations	<b>28.00</b>	54.76
o) Loss on sale of investment (Net)	<b>5.24</b>	-
p) Miscellaneous Expenses	<b>523.26</b>	472.50
<b>TOTAL</b>	<b>2263.37</b>	2336.46
<b>2.31 Extraordinary Items</b>		
Compensation on Acquisition of Land	<b>760.73</b>	47.79
Compensation Received on Surrender of lease rights of land	<b>123.85</b>	-
<b>TOTAL</b>	<b>884.58</b>	47.79

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

### 2.32 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) :

Particulars	₹ in Lacs	
	2011-12	2010-11
<b>1 Contingent Liabilities</b>		
a) Guarantees given by the Banks	<b>17281.31</b>	13649.99
b) Performance Corporate guarantees given by the Company to various contractees.	<b>963.76</b>	807.67
c) Claims against the company not acknowledged as debts	<b>120.59</b>	120.59
d) Additional Sales Tax demand excluding ₹902.26 lacs (Previous year ₹905.24 lacs) recoverable from customers for the years 1980-81 to 2009-10 under appeal.	<b>568.20</b>	506.32
e) Demands raised by Excise department excluding interest, if any, leviable thereon.	<b>1649.72</b>	1877.10
f) Additional Service Tax demand excluding those recoverable from customers upto the Year 2010-11 under appeal.	<b>3576.68</b>	3488.18
g) The Company had received notice under section 148 of the Income Tax Act 1961 for reopening of assessment for the year ended 31st March 2004 in respect of its investments made in long term Capital Gains Bonds. The Company has challenged re-opening of assessment by filing a writ petition in the High Court of Bombay. The Writ Petition has been dismissed by the High Court of Bombay. The Company has filed Special Leave Petition (SLP) in the Supreme Court of India, which is pending for admission. Meanwhile, Income Tax Department has began the assessment proceeding, however, no demand of income tax has been received in this matter till date.	—	—
<b>2 Capital Commitments</b>		
Commitments for Capital Expenditure are estimated at	<b>298.31</b>	—
<b>3 Other Disclosures</b>		
In respect of fraud at two factories reported in the last annual report, following is the position in current year.		
a) Out of ₹ 17.39 lacs, ₹ 15.05 lacs has been recovered/ adjusted upto May 2010. One of the party has challenged the recovery/adjustments and the matter is subjudice. The criminal complaints against the parties and ex-employees involved in the fraud are pending in the court and for balance amount legal action has been initiated.		
b) As reported in the last report the misappropriated amount involved is ₹ 44.82 lacs. The proceedings of the Criminal case filed against the ex-employee of the Company have been concluded and the accused was convicted and awarded punishment of 3 years imprisonment and was released, as the accused was in judicial custody for 3 years 4 months. For recovery of aforesaid amount, civil suit proceedings are in progress.		

### 2.33 Related party disclosures, as required by AS 18

#### A. Names of Related Parties & Nature of Relationship

- |  |  |
|--|--|
| i) Ratanchand Investment Pvt. Ltd.   | : Ultimate Holding Company                               |
| ii) IHP Finvest Ltd  | : Promoter Holding Company (Holding 65.92% in Equity)    |
| iii) Mr. Rajas R. Doshi<br>(Chairman & Managing Director)  | : Key Management Personnel                               |
| iv) Mrs. Jyoti R. Doshi (Director)<br>Mr. Aditya R. Doshi<br>Mr. Mayur R. Doshi (Vice President) | : Relatives of Key Management Personnel                  |
| v) Mobile Systems India Pvt. Ltd.<br>Raj Jyoti Trading & Investment Pvt. Ltd.                    | : Companies in which control exists directly/ indirectly |
| vi) Walchand Foundation<br>Ratanchand Foundation<br>(Formed U/s 25 of the Companies Act, 1956)   | : Other Related Party                                    |



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

### B. Nature of Transactions

Following transactions were carried out during the year with the related parties in the ordinary course of business.

(₹ in lacs)

Sr. No.	Transactions	Ultimate Holding Company	Promoter Holding Company	Key Management Personnel	Relatives of Key Management Personnel	Other Related Party
1	Dividend Paid	8.72 (8.72)	319.34 (319.34)	4.09 (4.09)	6.59 (6.59)	– (–)
2	Rent and Other Related Expenses	– (–)	121.96 (117.65)	– (–)	– (–)	– (–)
3	Sitting Fees	– (–)	– (–)	– (–)	0.40 (0.40)	– (–)
4	Commission to Non Executive Directors	– (–)	– (–)	– (–)	1.27 (2.29)	– (–)
5	Salary & Perquisites	– (–)	– (–)	– (–)	22.45 (11.17)	– (–)
6	Remuneration	– (–)	– (–)	119.76 (221.47)	– (–)	– (–)
7	Amount outstanding payable as on 31.03.12	– (–)	1.16 (1.68)	0.14 (0.14)	0.01 (0.01)	– (–)
8	Donation	– (–)	– (–)	– (–)	– (–)	25.00 (50.00)

(Last year's figures are shown in brackets)

### 2.34 Research and Development Expenditure:

Expenses on Research and Development during the year under various heads amount to ₹236.66 lacs (Previous year ₹ 203.55 lacs)

2.35 Confirmations have not been received from some of the Debtors, Creditors and Depositors.

### 2.36 Segment Reporting

Segment Information for the year ended 31st March, 2012.

Information about Primary Segment

(₹ In Lacs)

Particulars	Business Segments					
	Construction contracts including water supply schemes, pipes supply & laying projects.		Others		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>REVENUE</b>						
External Revenue	49587.60	62367.83	1420.08	2287.21	51007.68	64655.04
<b>RESULTS</b>						
Segment results	3950.99	7842.00	64.09	244.64	4015.08	8086.64
Unallocated Expenditure net of unallocated income					(965.69)	(1954.87)
<b>Operating Profit</b>					<b>3049.39</b>	6131.77

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

## 2.36 Segment Reporting (Continued)

(₹ In Lacs)

Particulars	Business Segments					
	Construction contracts including water supply schemes, pipes supply & laying projects.		Others		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Interest Expenses					(2368.01)	(2058.93)
Interest/dividend income net of loss on sale of investment					135.81	112.55
Profit on sale of Fixed Assets & Investments					537.53	2.33
Taxation for the year (including deferred tax/provision for taxation- earlier years)					(646.94)	(1438.56)
<b>Profit after taxation but before extraordinary items</b>					<b>707.78</b>	2749.16
Profit on sale of land					<b>884.58</b>	47.79
<b>Net Profit</b>					<b>1592.36</b>	2796.95
<b>OTHER INFORMATION</b>						
Segment Assets	<b>64510.84</b>	62282.06	<b>868.92</b>	1289.01	<b>65379.76</b>	63571.07
Unallocated Corporate Assets					<b>2824.93</b>	3826.43
<b>TOTAL ASSETS</b>					<b>68204.69</b>	67397.50
Segment Liabilities	<b>28474.00</b>	25236.64	<b>294.03</b>	153.19	<b>28768.03</b>	25389.83
Unallocated Corporate Liabilities					<b>17391.63</b>	20991.94
<b>TOTAL LIABILITIES</b>					<b>46159.66</b>	46381.77
<b>Capital Expenditure</b>						
For Segment	<b>951.20</b>	862.21	<b>0.77</b>	24.58	<b>951.97</b>	886.79
For Corporate					<b>30.45</b>	564.02
<b>Total Capital Expenditure</b>					<b>982.42</b>	1450.81
<b>Depreciation and amortisation expenses</b>						
For Segment	<b>576.62</b>	625.81	<b>13.83</b>	12.56	<b>590.45</b>	638.37
For Corporate					<b>103.90</b>	101.25
<b>Total Depreciation and amortisation expenses</b>					<b>694.35</b>	739.62

### NOTES:

#### 1 BUSINESS SEGMENTS

The Company has considered "business segment" as the primary reporting segment for disclosure. The products included in each of the reported domestic business segments are as follows:

- Construction contracts including water supply schemes, pipes supply & laying projects.
- Others include Railway Sleepers, Air Rifles and Other Miscellaneous items.

Segment revenue relating to each of the above domestic business segments includes income from services provided, wherever applicable. The above business segments have been identified considering:

- The nature of products & services
- The differing risks & returns

2 There are no inter segment sales.

3 Since the Company does not have any significant business outside India there are no reportable geographic segments.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

### 2.37 Employee Benefits:

₹ In Lacs

Defined Benefit Plans/Long Term compensated absences - As per Actuarial valuation as on 31.03.2012.		2011-12		2010-11	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>I</b>	<b>Expense recognised in the statement of Profit &amp; Loss Account for the year ended 31st March, 2012.</b>				
1	Current Service Cost	49.95	74.99	42.98	69.16
2	Interest Cost	76.84	9.95	62.90	5.72
3	Employee Contributions	–	–	–	–
4	Expected return on plan assets	(79.77)	–	(70.40)	–
5	Actuarial (Gains)/Losses	53.60	(11.82)	19.28	22.70
6	Past Service Cost	–	–	–	–
7	Settlement Cost	–	–	–	–
	Total Expenses	100.62	73.12	54.76	97.58
<b>II</b>	<b>Net Assets / (Liability) recognised in the balance sheet as at 31.03.2012.</b>				
1	Present Value of Defined Benefit Obligation	1033.62	147.46	960.53	93.29
2	Fair Value of Plan Assets	939.72	–	742.63	–
3	Funded Status [Surplus/(Deficit)]	(93.90)	(174.37)	(217.90)	(147.76)
4	Net Asset/(Liability)	(93.90)	(174.37)	(217.90)	(147.76)
<b>III</b>	<b>Change in Obligation during the year ended March 31, 2012.</b>				
1	Present value of Defined Benefit Obligation at the beginning of year	960.53	147.46	786.20	93.28
2	Current Service Cost	49.95	74.99	42.98	69.16
3	Interest Cost	76.84	9.95	62.90	5.72
4	Settlement Cost	–	–	–	–
5	Past Service Cost	–	–	–	–
6	Employee Contributions	–	–	–	–
7	Actuarial (Gains) / Losses	53.60	(11.82)	192.81	22.70
8	Benefits Payment	(107.30)	(46.21)	(124.36)	(43.41)
9	Present value of Defined Benefit Obligation at the end of year	1033.62	174.37	960.53	147.45
<b>IV</b>	<b>Change in Assets during the year ended March 31, 2012.</b>				
1	Plan Assets at beginning of the year	742.63	–	748.88	–
2	Settlements	–	–	–	–
3	Expected return on Plan Assets	79.77	–	70.40	–
4	Contribution by Employers	224.62	46.21	47.71	43.41
5	Actual benefits paid	(107.30)	(46.21)	(124.36)	(43.41)
6	Actuarial Gains/(Losses)	–	–	–	–
7	Plan Assets at end of the year	939.72	–	742.63	–
8	Actual return on Plan Assets	–	–	–	–
<b>V</b>	<b>Actuarial Assumptions</b>				
1	Discount Rate	8.00%	8.00%	8.00%	8.00%
2	Expected Rate of Return on plan assets	9.40%	N.A.	9.00%	N.A.
3	Mortality Pre-retirement	(1994-96) LIC Ult	(1994-96) LIC Ult	(1994-96) LIC Ult	(1994-96) LIC Ult
4	Mortality Post-retirement	N.A.	N.A.	N.A.	N.A.
5	Turnover Rate	N.A.	1.00%	N.A.	1.00%
6	Medical Premium Inflation	N.A.	N.A.	N.A.	N.A.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

### 2.37 Employee Benefits (Continued)

#### Accumulated compensated absences (non vesting)

Actuarial valuation of sick leave has been made on 31-03-2012. Provision in respect of this benefit amounts to ₹ 13.86 lacs for the financial year ending 31-03-2012. (Previous year ₹ 10.18 lacs.)

Gratuity cost, as disclosed above, is included under Employee benefit expenses

### VI Provident Fund

The Company contributed ₹ 40.79 lacs towards Provident Fund during the year ended 31st March 2012. (Previous year ₹ 46.24 lacs.)

### 2.38 Earnings Per Share (EPS)

		31-03-2012	31.03.2011
Number of shares		24223585	24223585
Profit after Tax before Extraordinary Items	₹ in Lacs	885.78	2759.39
EPS - Basic & Diluted	₹	3.66	11.39
Profit after Tax after Extraordinary Items	₹ in Lacs	1592.36	2796.98
EPS - Basic & Diluted	₹	6.57	11.55

2.39 The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act 2006, as at 31st March, 2012. The disclosure pursuant to the said Act is as under:

Principal amount due to suppliers under MSMED Act (₹. In lacs)

Interest accrued and due to suppliers under MSMED Act on the above amount

Payment made to suppliers (other than interest) beyond appointed day during the year.

Interest paid to suppliers under MSMED Act

Interest due and payable to suppliers under MSMED Act towards payments already made

Interest accrued and remaining unpaid at the end of the accounting year.

Note: The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

	2011-12	2010-11
Principal amount due to suppliers under MSMED Act (₹. In lacs)	Nil	Nil
Interest accrued and due to suppliers under MSMED Act on the above amount	Nil	Nil
Payment made to suppliers (other than interest) beyond appointed day during the year.	Nil	Nil
Interest paid to suppliers under MSMED Act	Nil	Nil
Interest due and payable to suppliers under MSMED Act towards payments already made	Nil	Nil
Interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil

₹ in Lacs

### 2.40 Raw Material under Broad Heads

Particulars	2011-12	2010-11
<b>Consumption</b>		
<b>1 Construction Division</b>		
i) Sand & Metal	666.36	987.21
ii) Cement	1731.52	2054.67
iii) Wire, Rods & HT Wire	1968.43	2951.09
iv) Steel Plates & Sheets*		
a) Company's own plates	1356.93	3200.73
b) Plates supplied by Parties	—	—
(*Valued at agreed rates)		
v) Other Raw Materials & Components	422.80	662.82
<b>2 Sleepers</b>		
i) Sand & Metal	89.94	159.12
ii) Cement	212.87	364.49
iii) Wire, Rods & HT Wire	295.06	517.53
iv) Other Raw Materials	258.76	431.72
<b>3 Air Rifle Division</b>		
i) Wood	7.66	15.91
ii) Seamless Steel Tubes	1.64	5.87
iii) Other Raw Materials	12.71	42.58
<b>TOTAL</b>	<b>7024.68</b>	<b>11393.74</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

	₹ Lacs			
	2011-12		2010-11	
	Amount	%	Amount	%
<b>2.41 Value of Raw Materials Consumed</b>				
Indigenous	6916.51	98.46	11123.51	97.63
Imported	108.17	1.54	270.23	2.37
<b>TOTAL</b>	<b>7024.68</b>	<b>100.00</b>	<b>11393.74</b>	<b>100.00</b>
<b>Value of Stores &amp; Spares Consumed</b>				
Indigenous	823.47	100.00	880.71	100.00
Imported	—	—	—	—
<b>TOTAL</b>	<b>823.47</b>	<b>100.00</b>	<b>880.71</b>	<b>100.00</b>

### 2.42 Value of Import on C I F Basis

Raw Materials	69.14	299.01
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### 2.43 Expenditure in foreign currencies

Travelling & Other expenses	1.58	1.42
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### 2.44 Earnings in Foreign Currencies

Export of goods calculated on F O B Basis	Nil	17.93
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### 2.45 Remuneration:

Remuneration paid to Chairman & Managing Director is in excess of the limits specified in Schedule XIII of the Companies Act, 1956 by ₹ 69 lacs. The Company has made an application seeking approval from Central Government. Approval is awaited. The approval for the same from the shareholders will be sought in ensuing Annual General Meeting.

### 2.46 The Company has entered into Joint Ventures for executing various works. The details are as under:

Sr No	Name of the Joint Venture	Name of the Project	₹ in lacs	
			Company's Share (%)	Bank Guarantee Amount *
1	M/s.Koya & Company Construction Pvt. Ltd.,(JV),Hyderabad	Krishna PACKAGE-I.	24.00	Nil
2	M/s.Bhoorathnam Construction Co. (P) Ltd.	Krishna PACKAGE-II.	24.00	Nil
3	M/s. The Indian Hume Pipe Co. Ltd.JV with Pochampad Cement Pipe Construction Ltd.	Bellampally (Package I).	52.13	Nil
4	M/s.KCCPL-IHP-BRC-TAIPPL-KBL	Guthpa Lift Irrigation Scheme.	18.57	272.37
5	M/s.Nagarjuna Construction Co. Ltd.(JV) Hyderabad	Tadipudi Lift Irrigation Scheme.	48.68	Nil
6	M/s.TAIPPL-IHP-KCCPL-BRCPL (JV)	Krishna Drinking Water Supply Project Phase II (Package II).	17.46	Nil
7	M/s.IHP-KCCPL-BRCPL-TAIPPL (JV)	Saheb Nagar- Package IV.	42.49	Nil
8	M/s.Shradha IHP Joint Ventures	Padmalaya Lift Irrigation Scheme for Shree Padmalaya Sinchan Yojana of Taluka Erandole, Dist. Jalgaon.	20.00	Nil
9	M/s.Shradha IHP Joint Ventures	Wangana Lift Irrigation Schemes on Dhom, Taluka Koregaon, Dist. Satara.	30.00	Nil
10	NCC-MEIL-IHP (JV)	Warangal Municipal Corporation.	15.00	70.00
11	IHP-Vishva-MCC (JV)	South of Musi in S11 catchment Zone II under JNNURM Package II.	50.50	150.08
12	IHP-MEIL-KCCPL-BRCPL-TAIPPL (JV)	Somasila Reservoir - Package I.	28.00	187.18

\* Amount of Bank guarantee is included in 2.32 (1-a).

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

- 2.47** Current Liabilities include ₹ 1.99 lacs towards unclaimed amounts of preference shares redeemed and ₹ 0.55 lacs towards unclaimed proceeds from sale of fractional shares issued pursuant to the bonus issue made by the Company in the year 2005-06.
- 2.48** In the opinion of the Board, all assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of business at least to the amount at which they are stated.
- 2.49** The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notifications of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

As per our Report of even date

For K. S. AIYAR & CO.  
Chartered Accountants  
Registration No. 100186W

RAGHUVIR M. AIYAR  
Partner  
(M No-38128)

Mumbai, 29th May, 2012

For and on behalf of the Board

RAJAS R. DOSHI

Chairman & Managing Director

JYOTI R DOSHI  
RAJENDRA M. GANDHI  
RAMESHWAR D. SARDA  
N. BALAKRISHNAN  
ANIMA B. KAPADIA  
VIJAY KUMAR JATIA  
P. D. KELKAR

}  
Directors

MAYUR R. DOSHI

Executive Director

S. M. MANDKE

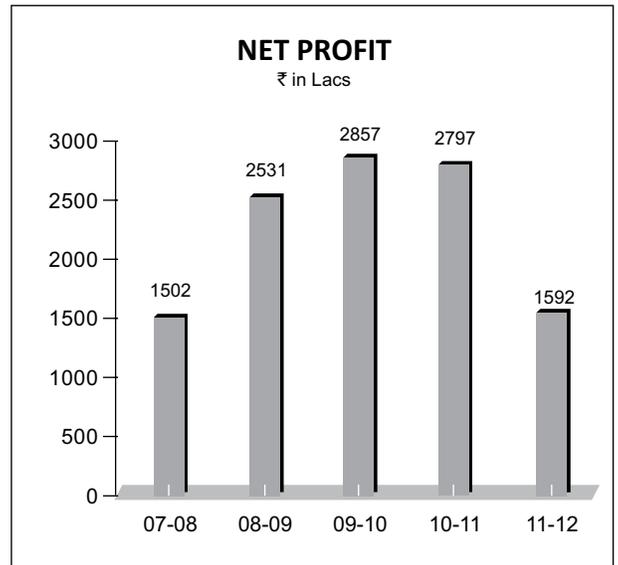
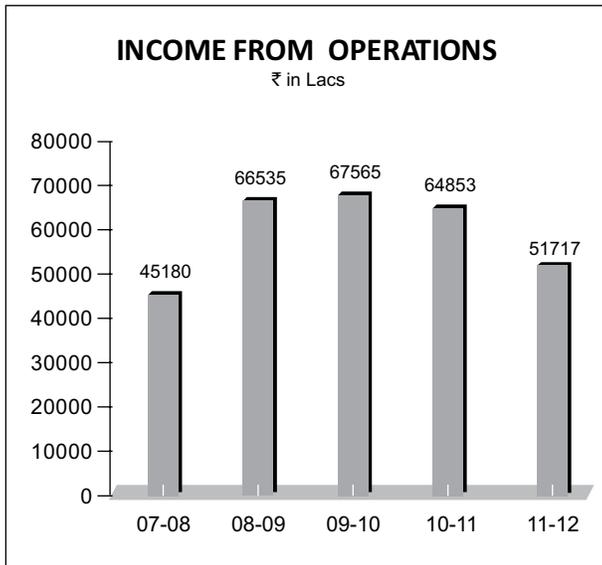
Company Secretary

Mumbai, 28th May, 2012

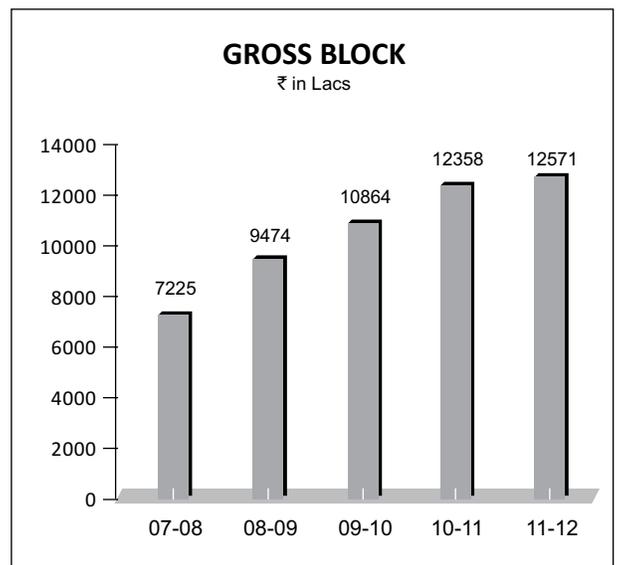
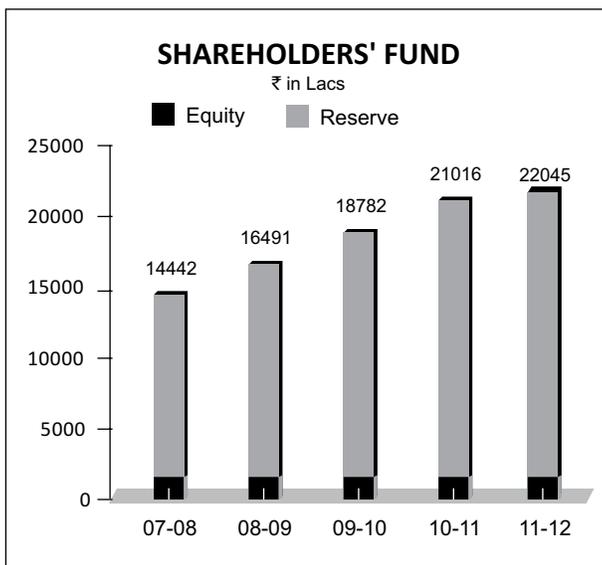
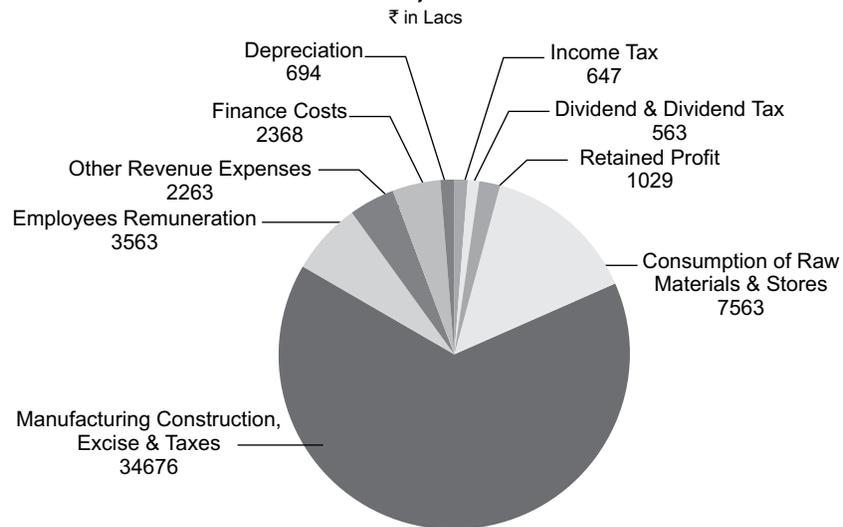


# IMPORTANT FINANCIAL STATISTICS

Year	Paid up Capital		Reserves & Surplus	Net Worth	Debentures	Fixed Assets		No of Factories / Projects	Income from Operations	Net Profit	Dividend Paid on Preference & Equity Shares	Dividend on Equity Shares
	Equity Capital	Preference Capital				Gross Block	Net Block					
	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs	₹ Lacs		₹ Lacs	₹ Lacs	₹ Lacs	%
1926-27	5.00	-	-	5.00	-	3.79	3.79	2	0.74	-1.40	-	-
27-28	5.00	-	-	5.00	-	4.47	4.47	4	4.35	-0.55	-	-
28-29	5.00	-	0.11	5.11	-	5.58	5.58	4	5.26	0.04	-	-
29-30	5.00	-	0.11	5.11	-	5.91	5.91	6	9.66	1.54	-	-
30-31	5.00	-	1.41	6.41	-	6.51	6.51	9	8.81	1.75	0.30	26.00
31-32	5.00	-	2.47	7.48	-	7.14	6.34	13	12.26	2.17	1.00	20.00
32-33	10.00	-	1.15	11.15	-	13.04	11.24	17	11.38	0.67	1.00	10.00
33-34	10.00	-	1.32	11.32	-	17.18	15.38	17	10.79	1.18	0.40	4.00
34-35	10.00	-	2.72	12.72	-	17.86	15.46	23	12.41	2.40	1.25	12.00
35-36	10.00	6.00	4.46	20.46	-	19.79	16.14	26	15.46	4.11	2.71	26.00
36-37	22.00	-	3.22	25.22	-	25.45	18.55	30	31.85	2.93	2.86	13.00
37-38	30.00	-	1.93	31.93	-	29.01	20.61	32	44.86	1.60	1.50	5.00
38-39	30.00	-	2.21	32.21	-	30.91	21.01	35	40.82	1.78	1.80	6.00
39-40	30.00	-	1.82	31.82	-	33.45	21.30	34	34.55	1.41	1.20	4.00
40-41	30.00	-	2.73	32.73	15.00	35.34	21.19	33	70.66	2.10	1.80	6.00
41-42	30.00	-	1.51	31.51	15.00	40.50	24.35	31	85.49	2.08	1.80	6.00
42-43	30.00	-	1.52	31.52	45.00	56.53	36.73	31	87.07	2.31	1.80	6.00
43-44	30.00	-	1.06	31.06	45.00	69.93	45.13	38	89.60	2.09	1.80	6.00
44-45	30.00	-	1.72	31.72	45.00	76.84	52.04	39	56.31	0.96	-	-
45-46	30.00	50.00	4.04	84.04	45.00	85.04	54.24	39	77.18	3.32	2.31	-
46-47	30.00	50.00	3.37	83.37	45.00	96.58	59.28	44	77.52	2.83	2.50	-
47-48	30.00	50.00	1.33	81.33	45.00	111.24	66.74	46	89.54	0.96	-	-
48-49	30.00	50.00	2.73	82.73	45.00	121.54	70.04	45	108.84	1.40	2.50	-
49-50	30.00	50.00	6.72	86.72	45.00	130.98	65.48	44	147.43	5.95	5.90	3.00
50-51	30.00	50.00	7.54	87.54	31.05	117.72	46.95	45	140.97	5.87	4.30	6.00
51-52	30.00	50.00	9.32	89.32	29.58	123.01	38.93	47	130.84	5.88	4.30	6.00
52-53	30.00	50.00	14.63	94.63	29.23	131.74	38.87	52	147.39	8.45	7.00	15.00
53-54	30.00	50.00	14.10	94.10	29.19	139.06	37.22	50	140.53	6.47	5.20	9.00
54-55	30.00	50.00	19.16	99.16	29.19	148.49	38.19	57	183.46	7.81	5.20	9.00
55-56	30.00	50.00	33.53	113.53	29.18	155.28	48.78	55	229.29	16.06	5.20	9.00
56-57	30.00	50.00	52.35	132.35	29.18	159.43	48.61	57	275.91	17.25	5.20	9.00
57-58	30.00	50.00	67.20	147.20	29.18	165.15	46.96	58	250.82	20.52	5.20	9.00
58-59	30.00	50.00	79.71	159.71	29.18	192.08	65.87	56	253.84	17.41	6.40	13.00
59-60	60.00	50.00	85.54	195.54	29.18	225.73	88.22	58	268.69	11.49	8.13	13.00
60-61	60.00	50.00	109.38	219.38	29.18	246.93	100.42	60	349.46	15.24	10.30	13.00
61-62	60.00	50.00	120.97	230.97	29.18	263.33	105.30	59	352.37	19.65	10.90	14.00
62-63	60.00	50.00	139.63	249.63	29.18	272.67	116.20	57	376.40	15.38	10.90	14.00
63-64	60.00	50.00	159.58	269.58	29.18	302.93	134.25	60	487.93	27.27	11.50	15.00
64-65	60.00	50.00	176.61	286.61	50.00	323.78	140.85	59	537.39	22.88	11.50	15.00
65-66	60.00	50.00	194.97	304.97	50.00	353.17	152.60	60	574.68	20.42	11.50	15.00
66-67	120.00	50.00	153.19	323.18	50.00	365.39	147.41	60	528.10	8.20	13.87	10.00
67-68	120.00	50.00	147.88	317.88	50.00	379.49	148.63	59	491.36	7.85	14.50	10.00
68-69	120.00	50.00	153.86	323.86	50.00	440.07	193.03	58	574.49	18.06	14.50	10.00
69-70	120.00	50.00	145.57	315.57	50.00	482.33	212.05	58	589.86	-3.86	14.50	10.00
70-71	120.00	50.00	145.08	315.08	50.00	499.88	212.70	53	563.27	10.37	14.50	10.00
71-72	120.00	50.00	157.39	327.39	50.00	508.78	201.05	55	639.15	23.62	16.90	+2%
72-73	120.00	50.00	168.46	338.46	50.00	541.70	212.17	55	762.11	19.94	16.90	12.00
73-74	120.00	50.00	192.32	362.32	50.00	559.02	208.02	53	891.16	33.81	12.10	8.00
74-75	120.00	50.00	215.49	385.49	50.00	581.43	213.61	55	850.06	36.80	16.90	12.00
75-76	120.00	50.00	234.78	404.78	50.00	609.74	221.37	51	995.94	36.57	21.70	12.00
76-77	120.00	50.00	264.17	434.17	50.00	672.98	255.76	48	1350.84	40.49	21.70	12.00
77-78	150.00	50.00	258.31	458.31	1.47	806.68	457.37	49	1177.59	19.16	21.70	12.80
78-79	150.00	50.00	262.13	462.13	-	828.17	330.83	50	1227.34	19.65	21.70	12.80
79-80	150.00	50.00	236.42	436.42	-	836.28	331.50	50	1238.02	28.99	21.70	12.80
80-81	150.00	50.00	259.31	459.31	-	857.28	306.50	50	1596.64	41.70	21.70	12.80
81-82	150.00	50.00	299.19	499.19	-	919.05	332.19	49	1804.52	86.53	29.51	15.00
82-83	150.03	50.00	382.13	582.17	-	1038.37	389.45	50	2018.93	85.90	25.01	15.00
83-84	150.03	50.00	551.85	751.88	-	1110.46	395.22	49	2190.96	176.38	29.51	18.00
84-85	225.05	50.00	830.58	905.63	200.00	1340.53	509.86	51	2474.28	163.31	43.01	18.00
85-86	225.05	50.00	803.94	1078.99	200.00	1510.97	533.76	49	2755.29	221.18	49.76	18.00
86-87	225.05	50.00	856.10	1081.16	300.00	1666.49	502.27	49	2938.04	100.05	41.13	18.00
			(Upto 30-9-86)									
87-88	225.05	-	954.25	1179.30	300.00	1688.52	510.15	48	3596.27	138.86	40.51	18.00
88-89	225.05	-	1102.53	1327.59	300.00	1767.64	634.39	50	3328.10	103.18	33.76	15.00
89-90	337.58	-	1050.89	1388.47	492.50	1893.35	664.92	51	5542.73	107.56	50.64	15.00
90-91	337.58	-	986.81	1324.38	500.00	2050.47	930.84	50	4506.00	-176.50	50.64	15.00
91-92	337.58	-	991.84	1329.41	409.00	2089.03	901.37	48	8209.35	58.74	50.64	15.00
92-93	337.58	-	1086.34	1423.92	409.00	2122.21	892.55	47	4503.52	123.15	25.32	15.00
93-94	387.58	-	1177.08	1564.66	286.33	2278.75	958.67	48	7651.09	160.06	65.26	18.00
94-95	387.58	-	1445.15	1832.73	200.00	2452.32	1035.55	47	8805.39	310.56	77.52	20.00
95-96	387.58	-	2214.26	2601.84	150.00	2464.23	968.85	46	7397.47	866.00	96.89	20.00
96-97	387.58	-	2422.23	2809.81	100.00	2443.29	946.31	43	7397.00	293.24	77.52	20.00
97-98	387.58	-	2692.85	3080.43	50.00	2461.38	879.14	40	9224.05	364.42	85.27	22.00
98-99	387.58	-	2947.38	3334.96	-	2586.05	894.20	38	10027.52	353.48	89.14	23.00
99-00	387.58	-	3228.90	3616.47	-	2941.08	1173.59	39	10868.18	380.46	89.14	23.00
2000-01	387.58	-	3631.17	4018.75	-	3052.18	1186.74	38	10835.22	530.41	116.27	25.00
01-02	387.58	-	4246.98	4634.56	-	3116.95	1184.39	35	11520.83	921.68	116.27	30.00
02-03	387.58	-	5276.75	5664.32	-	3490.44	1423.40	35	14143.71	1160.94	116.27	40.00
03-04	290.68	-	8950.91	9241.60	-	3928.48	1472.95	33	17207.62	5075.35	726.71	50.00
04-05	290.68	-	10991.86	11282.54	-	4600.27	1926.83	31	21040.25	2535.71	436.02	50.00
05-06	484.47	-	11521.75	12006.22	-	5701.92	2828.08	32	25608.72	972.27	218.01	40.00
06-07	484.47	-	12852.79	13337.27	-	6940.06	3724.87	30	36280.18	1671.12	290.68	60.00
07-08	484.47	-	13957.80	14442.27	-	7224.78	3799.39	30	45180.13	1501.76	339.13	70.00
08-09	484.47	-	16006.88	16491.35	-	9473.95	5607.64	29	66534.80	2530.89	411.80	85.00
09-10	484.47	-	18297.37	18781.84	2000.00	10863.77	6409.84	28	67564.54	2857.30	484.47	100.00
10-11	484.47	-	20531.26	21015.73	-	12357.94	7210.67	25	64852.90	2796.95	484.47	100.00
11-12	484.47	-	21560.56	22045.03	-	12571.31	7385.97	22	51716.92	1592.36	484.47	100.00



### DISTRIBUTION OF INCOME, EXPENDITURE AND PROFIT









# The Indian Hume Pipe Co. Ltd.

Registered Office : Construction House, 2nd floor, 5, Walchand Hirachand Road, Ballard Estate, Mumbai - 400 001.

## ATTENDANCE SLIP

Registered Folio No. /D. P. ID & Client ID \_\_\_\_\_

I/We hereby record my/our presence at the Eighty Sixth Annual General Meeting of the Company at Walchand Hirachand Hall, Indian Merchants' Chamber Building, 4th Floor, Indian Merchants' Chamber Road, Churchgate, Mumbai 400 020 on Wednesday, 25th July, 2012 at 4.00 P.M.

\_\_\_\_\_  
(Member's/Proxy's name in Block letters)

\_\_\_\_\_  
(Member's/Proxy's Signature)

NOTE : Please fill this attendance slip and hand it over at the entrance of the hall.

----- CUT HERE -----



# The Indian Hume Pipe Co. Ltd.

Registered Office : Construction House, 2nd floor, 5, Walchand Hirachand Road, Ballard Estate, Mumbai - 400 001.

## PROXY

Registered Folio No. /D. P. ID & Client ID \_\_\_\_\_

I/We \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
being a Member/Members of the above named Company hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ as my / our proxy to attend and vote for me/us and on my/our behalf at the Eighty Sixth Annual General Meeting of the Company to be held on Wednesday, 25th July, 2012 at 4.00 P. M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Affix  
Revenue  
Stamp

Signature \_\_\_\_\_

Note : This form of proxy duly completed, stamped and signed should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Eighty Sixth Annual General Meeting. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

----- CUT HERE -----

## CHANGE OF ADDRESS / CHANGE OF E-MAIL ID

To,  
Company Secretary  
The Indian Hume Pipe Co. Ltd.,  
Construction House, 2nd floor,  
5, Walchand Hirachand Road,  
Ballard Estate, Mumbai - 400 001

Date:

Dear Sir,

Kindly register my / our new address and/or e-mail ID for future communications.

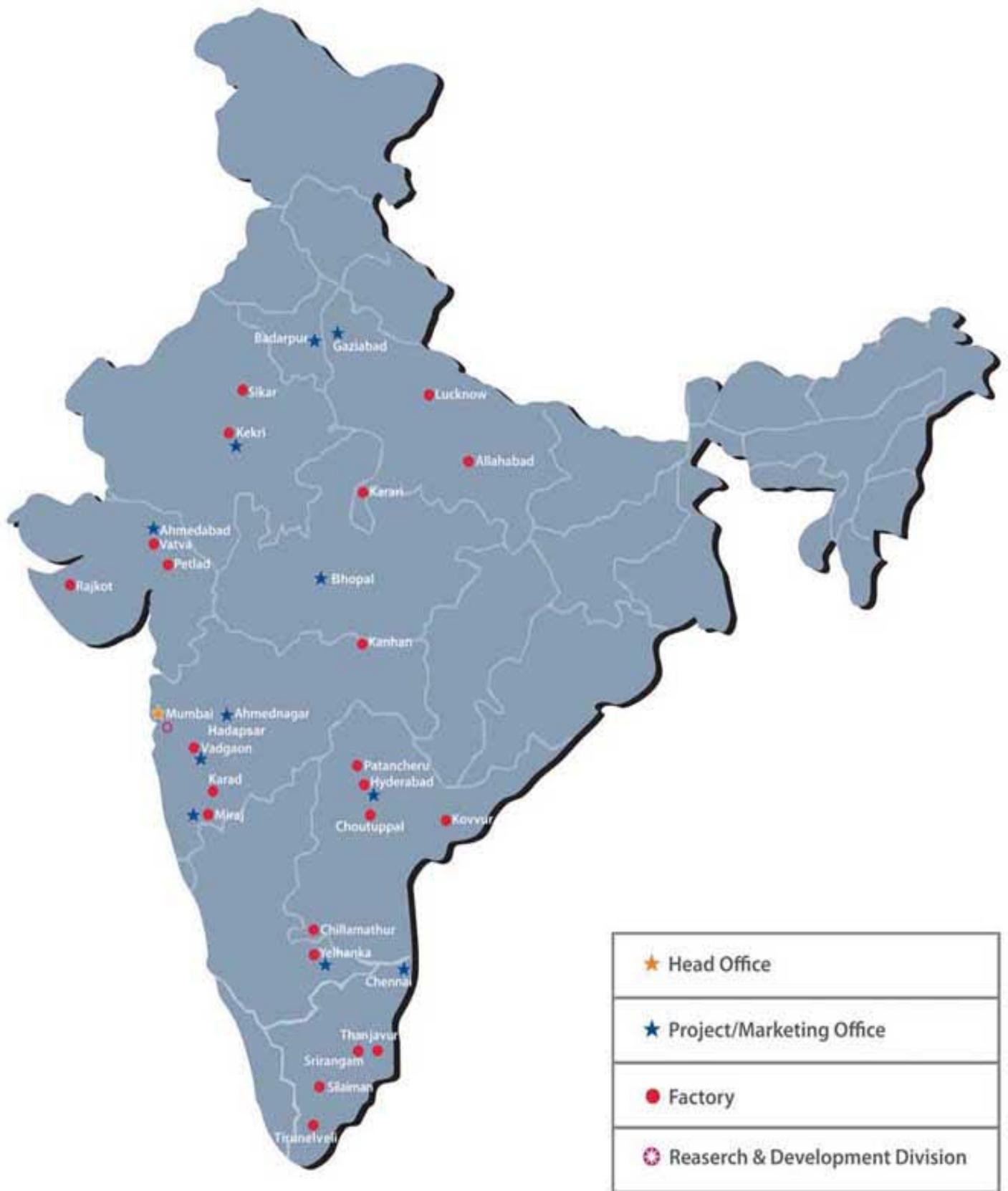
Name and New Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Pin \_\_\_\_\_  
E-mail ID \_\_\_\_\_

Registered Folio No.  
[to be filled by the Member(s)]

Tel No.: \_\_\_\_\_  
(If any)

\_\_\_\_\_  
Member(s) Signature(s)

# IHP FACTORIES / PROJECTS IN INDIA



MAP not to scale



## The Indian Hume Pipe Co. Ltd.

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Fax: 91 - 22 - 22656863  
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Web: [www.indianhumpipe.com](http://www.indianhumpipe.com)