

<b>Board of Directors</b>	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		

<b>Company Secretary</b>	Mr. S. M. Mandke
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<b>Executives</b>	Mr. P. D. Kelkar	-	Sr. General Manager
	Mr. P. R. Bhat	-	Sr. General Manager
	Mr. Ajay Asthana	-	General Manager
	Mr. Mayur R. Doshi	-	General Manager
	Mr. G. Pundareekam	-	General Manager
	Mr. Shashank J. Shah	-	General Manager
	Mr. M. S. Rajadhyaksha	-	Controller of Accounts & Finance
	Mr. S. G. Khaladkar	-	Sr. General Manager - Corporate Affairs
	Mr. B. S. Narkhade	-	Chief Internal Auditor
	Mr. A. B. Joshi	-	Chief Personnel Manager

<b>Auditors</b>	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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<b>Solicitors &amp; Advocates</b>	M/s. Daphtary Ferreira & Divan, Mumbai M/s. Kanga & Co., Mumbai
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<b>Bankers</b>	State Bank of India Bank of Baroda State Bank of Hyderabad HDFC Bank Ltd. Corporation Bank
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<b>Registrar &amp; Share Transfer Agent</b>	M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078 Tel No.022-25946970-78 Fax No.022-25946969
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<b>Registered Office</b>	Construction House, 2nd Floor, 5, Walchand Hirachand Road, Ballard Estate, Mumbai – 400 001 Tel No.: 022-22618091 / 92, 022-40748181 Fax No.:022-22656863, email : info@indianhumepipe.com Website : www.indianhumepipe.com
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<b>Annual General Meeting</b>	Thursday, 29 <sup>th</sup> July, 2010, at 4.00 P.M. Walchand Hirachand Hall, Indian Merchants' Chamber Building, 4th Floor, Indian Merchants' Chamber Marg, Churchgate, Mumbai – 400 020
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## NOTICE

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

DAY	: Thursday
DATE	: 29th July, 2010
TIME	: 4.00 P. M.
PLACE	: Walchand Hirachand Hall, Indian Merchants' Chamber Building, 4th floor, Indian Merchants' Chamber Marg, Churchgate, Mumbai - 400 020

To transact the following business:

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2010, 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 Ms. Jyoti R. Doshi, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Rajendra M. Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
5. 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 2010-11 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 :

6. 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 2010-11 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.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board of Directors to appoint any person or persons qualified for appointment as Auditors of the Company under Section 226 and/or 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, on such terms and conditions, as they may deem fit.

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

"RESOLVED THAT pursuant to the provisions of Sections 16 and 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof) and the provisions of the Memorandum of Association of the Company and subject to such other approvals / permissions / sanctions as may be necessary, consent of the Company be and is hereby accorded for sub-division of the nominal face value of existing one Equity Share of Rs.10/- into five Equity Shares of Rs.2/- each fully paid-up.

RESOLVED FURTHER THAT the existing Clause No.V of the Memorandum of Association be and is hereby altered to read as follows:

"V. The Capital of the Company is Rs.10,00,00,000 (Rupees Ten Crores only) comprising of 5,00,00,000 (Five Crores) Equity Shares of Rs.2/- each with power to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred or special right, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges and conditions in such manner as may for the time being be provided by the Regulations of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof), the Clause No.6 (Capital Clause) of the Articles of Association of the Company be altered by substituting the following new Clause No.6 in place of the existing Clause No.6.

New Clause No. 6

"The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores only) consisting of 5,00,00,000 (Five Crores) Equity Shares of Rs.2/- each."

RESOLVED FURTHER THAT the Board of Directors of the Company, (hereinafter referred to as the "Board" which expression shall also include any Committee thereof duly authorised in this behalf) be and is hereby authorised to fix the Record Date and take necessary actions to give effect to the above resolution.



## NOTICE

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to take such steps and actions and give such directions as it may in its absolute discretion deem necessary and to issue new share certificates, in cancellation of existing shares without physically exchanging the share certificates by treating the old share certificates as deemed to be cancelled and invalid, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960 and Articles of Association of the Company and to settle any question that may arise in this regard and to finalise and execute all documents, deeds and writings as may be necessary, which includes but not limited to preparing, executing and filing necessary applications/ forms / returns / documents with Registrar of Companies, Stock Exchanges (BSE & NSE), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and / or such other

authorities as may be necessary from time to time and to delegate all or any of the powers to any Director / Authorised Person(s) to give effect to the above resolution and to comply with necessary formalities in this regard.”

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 : 26th May, 2010

### 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.6 to 8 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 Tuesday, 20th July, 2010 to Thursday, 29th July, 2010 (both days inclusive).

(d) The Dividend for the year ended 31st March, 2010, 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 20th July, 2010. 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.

(f) As required under the Listing Agreement, a brief write up is given below in respect of the two Directors whose re-appointment is placed before this AGM.

i) Ms. Jyoti R. Doshi (56) is B.A. (Hons) from University of Delhi. She is associated with the Company as Director since 1996. She has experience of more than 14 years in the Industry. She is also a Director of M/s. IHP Finvest Ltd., M/s Raj Jyoti Trading & Investment Pvt. Ltd., M/s. Mobile Systems India Pvt. Ltd.,

M/s. Ratanchand Investment Pvt. Ltd., Ratanchand Foundation, Walchand Foundation and Walchand Trust. She is associated with various Social Charitable activities. She has been District Chairman and President of Inner Wheel Club of Bombay. She has served as a Chair Person of Maharashtra Chamber of Commerce & Industry - Ladies Wing for two years. She is also a trustee of Society for Rehabilitation of Crippled Children. She is a member of the Executive Committee of Indian Merchants' Chamber - Ladies Wing and also shoulders the responsibility of the prestigious Exhibition Committee as Chairperson.

Ms. Jyoti R. Doshi holds 31,333 shares of the Company.

ii) Mr. Rajendra M. Gandhi (63) is Bachelor of Engineering (Metallurgy) from University of Pune and MBA from Michigan University, U.S.A., having good financial knowledge. He is associated with the Company since 1996 and has industry experience of more than 36 years as the Proprietor of M/s. Navbharat Automobiles, Solapur. He is the Chairman of the Audit Committee of the Company.

Mr. Rajendra Gandhi does not hold any shares of the Company.

(g) Transfer of funds 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, 2002 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 dividend for the financial year 2002-2003 which remain unclaimed and unpaid as aforesaid shall be due for transfer to the IEPF on 31-08-2010 and no claim shall be 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 2002-03 and onwards to write to the Company claiming dividends declared by the Company for the said financial years.

## NOTICE

- iii) It may be noted that unpaid dividend for the following financial years 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
2002-03	26-07-2003	04-08-2003	31-08-2010
2003-04	30-01-2004 *	12-02-2004	06-03-2011
2003-04	30-07-2004	03-08-2004	04-09-2011
2004-05	31-01-2005 *	08-02-2005	08-03-2012
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

\* Interim Dividend

- (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.

### EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956

#### Item No.6 :

Pursuant to the provision of Section 228 of the Companies Act, 1956, the accounts of the Branches of the Company may be audited otherwise than by Company's Statutory Auditors, provided the Company in General Meeting authorise the Board of Directors to appoint such person or persons who are qualified for appointment as Branch Auditors of the Company under Section 226 and/or 228 of the Companies Act, 1956 for auditing accounts of the Company's Branches.

In the Annual General Meeting held on 27th July, 2009, the Members had appointed M/s. Brahmayya & Co., Chartered Accountants as Branch Auditors for the State of Andhra Pradesh u/s 228 of the Companies Act, 1956 for the financial year 2009-10.

The Board of Directors in their meeting held on 26th May, 2010 has recommended the re-appointment of M/s. Brahmayya & Co., Chartered Accountants, having their office at Flat No.403 & 404, Golden Apartments, Irrum Manzil Colony, Somajiguda, Hyderabad – 500 082 to carry out the Branch Audit in the State of Andhra Pradesh for the financial year 2010-11 commencing from 1st April, 2010 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 226 and/or 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.

Your Directors recommend the above resolution at item No.6 for your approval.

#### Item No.7 & 8 :

Presently the authorised share capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores only) comprising of 1,00,00,000 (One Crore) equity shares of Rs.10/- each. The paid-up share capital is Rs.4,84,47,170 (Rupees Four Crores Eighty Four Lacs Forty Seven Thousand One Hundred Seventy only) comprising of 48,44,717 equity shares of Rs.10/- each. After sub-division of equity shares, there will be 2,42,23,585 (Two Crores Forty Two Lacs Twenty Three Thousand Five Hundred Eighty Five) equity shares of Rs.2/- each fully paid-up. The paid-up share capital will remain unchanged. With a view to increase the liquidity of the shares in the stock market and to make it more affordable to the investors at large and also to have better comparability with share prices of other companies, the Board has decided to sub-divide the nominal face value of existing one equity share of Rs.10/- into five equity shares of Rs.2/- each fully paid-up.

Consequent to the sub-division of shares, it is necessary to alter the Capital clause of the Memorandum and Articles of Association of the Company. The special resolution at Item No.7 and Item No.8 seek to make corresponding amendments in Clause V of the Memorandum of Association and Article No. 6 of the Articles of Association of the Company respectively to give effect to the above resolutions.

The Company will fix a Record Date for sub-division of shares. Shareholders holding shares in electronic form will receive sub-divided shares in electronic form (Demat mode) and those holding shares in physical form will receive sub-divided shares by way of physical share certificates against their holdings as of the record date. The Company's shares are tradable only in the demat mode.

The sub-division of equity shares is expected to result in overall benefits of creating more liquidity and broad basing of small investors.

The Directors of the Company may be deemed to be interested in the proposed resolutions to the extent of their entitlement to the sub-divided shares on their respective shareholding, if any, in the Company and shareholding in the Company of their relatives and/ or concerns, companies/bodies corporate in which they may be interested, directly or indirectly, either as a shareholder and/or as a director and/or otherwise.

Memorandum and Articles of Association of the Company is available for inspection to the Members at the Registered Office of the Company between 11.00 a. m. to 1.00 p.m. on any working day up to 29th July, 2010.

Your Directors recommend the above resolutions at item No.7 & 8 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 : 26th May, 2010





# 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 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 83 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 Rs.1000 Lacs each during the year are:-

1. From TWAD Board, Southern Region, Madurai for implementation of Combined Water Supply Scheme to 5 Municipalities, 11 town panchayats and 3163 rural habitations in Ramanathapuram, Sivagangai and Pudukkottai Districts for package III & VI - All components in between Sump at Alavayal to Sump at Kalayarkoil and between R. S. Mangalam Cross to Rameswaram Cross of the combined value of Rs.15,271 Lacs.



**10 Lacs litre capacity overhead tank for Water supply scheme for Ramanathapuram, Sivagangai and Pudukkottai Districts**

2. From Superintending Engineer, Public Health Circle, Anantpur for Anantpur Water Supply Improvement Scheme with PABR as source under UIDSSMT Scheme - Construction of Intake well cum Pump house with Foot bridge, Clear Water sump, Pump House, Watchman quarters, Compound wall, ELSR's

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

and Filtration Plant, Laying of Pumping mains, gravity mains and providing of pump sets with all electrical and mechanical equipments of the value of Rs.6,728.55 Lacs.



**Intakewell with Pump House & footbridge for Anantpur EPC Project**

3. From TWAD Board, Western Region, Coimbatore for Combined Water Supply Scheme to Kurichi, Kuniamthur Municipalities and Kinathukaavu Special Village Panchayat in Coimbatore District of the value of Rs.2,576 Lacs



**Clarifloculator at Combine Water Supply Scheme to kurichi, kuniamthur and kinathukaavu in Coimbatore District**

4. From TWAD Board, Southern Region, Madurai for providing water supply scheme to Tsunami affected coastal 113 habitations in Tirunelveli District of the value of Rs.2,451 Lacs.
5. From Public Health Engineering Department (PHED) Region, Ajmer for the execution of Ajmer Water Supply Scheme involving MS pipe supply, laying, jointing, testing and commissioning with civil works of the value of Rs.2,044 Lacs.



**Ajmer Water Supply Scheme involving MS pipe line in Rajasthan State**

6. From The Superintending Engineer, Rural Water Supply & Sanitation, Sangareddy Circle, Sadashivpet for Gajwel Water Supply Scheme for CPWSS to Gajwel, Narsapur, Ramayampet and Dommat constituencies in Medak District for supplying, lowering, laying, jointing, testing and commissioning of 600mm dia BWSC & PSC pipes, 21.00 KM alongwith allied civil work of the value of Rs.1,453.45 Lacs.
7. From Maharashtra Krishna Valley Development Corporation for Wangana Lift Irrigation Scheme of the value of Rs.1,300 Lacs.
8. From The Superintending Engineer, Rural Water Supply & Sanitation, Kadapa for Augmentation of CPWS Scheme to Mylavaram and other Habitations consisting different pipe materials with allied civil work, of the value of Rs.1,295.35 Lacs.
9. From Greater Vishakhapatnam Municipal Corporation, Vishakhapatnam in Joint Venture with M/s. Vishva Infrastructure & Services Pvt. Ltd. for supplying, lowering, laying, jointing, testing and commissioning of 900 mm dia and 600 mm dia MS / BWSC pipes of the value of Rs.1,102.30 Lacs.
10. From Surat Municipal Corporation for drainage work of 1100mm & 1400mm dia PSC pipes of the value of Rs.1,027 Lacs.
11. In addition to the above we have successfully completed 11 projects amounting to Rs.5,260.88 Lacs of the value less than Rs.1000 Lacs each at various locations in India.

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

1. From The Superintending Engineer, Irrigation & CAD Dept. AVR HNSS Circle No.3, Madanapalli for survey, investigation, designs, drawings, estimation, construction and commissioning on turnkey basis including maintenance for 15 years (including 2 years liability period) of Pulikanuma L.I Scheme on right bank of Tungabhadra river near Satanur (V), Kosigi (M) in Kurnool district 2000mm dia PSC pipes, 28 KM alongwith 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) 33/11 KV Sub-Stations (d) H.T Power Lines (e) Pressure mains (f) Cisterns (g) Reservoir/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 270.00 etc., complete in Joint Venture with M/s. Flowmore Pvt. Ltd of the value of Rs.22,626.53 Lacs.
2. 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 Rs.13,592.90 Lacs.
3. 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



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- Bridge and ground level balancing reservoir etc. for J. C. Nagi Reddy Drinking Water Supply Project in Anantpur District of the value of Rs.11,589.71 Lacs.
4. From Superintending Engineer, Public Health Department, West Circle, AC Guards, Hyderabad, Mahaboobnagar – WSIS – UIDSSMT for laying of 900, 800, 600 & 500mm dia BWSC pipes, 300 & 200mm dia DI feeder mains in different localities with Koilsagar as source of the value of Rs.9,689.17 Lacs.
  5. From Andhra Pradesh Industrial Infrastructure Ltd, Parishrama Bhavan, Basheerbagh, Hyderabad, Andhra Pradesh for Manufacturing, supplying, lowering, laying, jointing, testing and commissioning of 2200mm dia MS pumping main with cement mortar factory inlining and outcoating and other appurtenances from proposed Intake Well near Old Madhavaram on foreshore of Somasila Reservoir to the proposed Sump at Kanumalonipalli (on Kadapa – Rajampet Highway) including manning & operation for a period of 24 months (defect liability period)- Package-I (Somasila) in Joint Venture with M/s. Megha Infrastructure Ltd., M/s. Koya & Co. Construction Pvt. Ltd., M/s. Bhoorathnom Construction Co. Pvt. Ltd. and M/s. Tahir Ali Industries & Projects (P) Ltd of the value of Rs.7,486.84 Lacs.
  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 Rs.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 Rs.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 Rs.6,147 Lacs.
  9. 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 Tunghabhadra River under Guru Raghavendra Project namely Duddi, Madhavaram and Basala Doddi (Two Stage) near Mantralayam, Kurnool District of the value of Rs.5,999.23 Lacs.
  10. From H. M. W. S. & S. B., S. R. Nagar, Hyderabad for rehabilitation, strengthening and improvement of sewerage system in old city area for 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-I in Joint Venture with M/s. Vishwa Infrastructure & Services Pvt. Ltd. and M/s. Modern Construction Co of the value of Rs.5,763.24 Lacs.
  11. From The Superintending Engineer (XVIII) Circle, U.P Jal Nigam, Ghaziabad for supply, laying, jointing, testing & commissioning 2000 mm dia PSC pipes 18 KM from Upper Ganga Canal for Noida to THA Ghaziabad of the value of Rs.5,443.28 Lacs.
 

**2000 mm dia PSC pipe line for U.P. Jal Nigam Ghaziabad**
  12. 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 Rs.5,303.65 Lacs.
  13. From Superintending Engineer, Public Health West Circle, AC Guards, Hyderabad for investigation, survey, design and execution for Mahaboobnagar Water Supply, under UIDSSMT construction of intake well cum pump house, vertical turbine pumpsets, laying of Pumping mains. GLBR and gravity mains and providing of pump sets with all Electrical and Mechanical equipments of the value of Rs.4,614.97 Lacs.
  14. 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 Rs.4,554.39 Lacs.
  15. 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 Rs.3,885.87 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 Rs.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 Rs.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



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- 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 Rs.3,273.84 Lacs.
19. From The Chief Engineer, Greater Vishakhapatnam Municipal Corporation, Vishakhapatnam for replacement of existing Thatipudi pipeline from i) Thatipudi reservoir to existing water treatment plant at Krishnapuram and from balancing reservoir at Uttarapalli to Vepugunta with 900 mm dia BWSC pipes ii) Vepugunta to Baji Junction with 800 mm dia BWSC pipes and iii) Baji Junction to town service reservoir with 700 mm dia BWSC pipes under Greater Vishakhapatnam Water Supply Improvement Scheme (JNNURM) package – I of the value of Rs.3,053.68 Lacs.
  20. From H. M. W. S. & S. Board, S. R. Nagar, Hyderabad for providing water supply to IT & other sectors in and around Gachibowli and Manikonda areas by laying 900 / 800 / 600 mm dia MS & 600 / 500 / 300 mm dia DI K7 water supply pipeline from Prashasan Nagar GLSR to Financial District, Manikonda including various civil works of the value of Rs.2,969.33 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 Rs.2,917.33 Lacs.
  22. 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 Rs. 2,781 Lacs.
  23. 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 Rs.2,636.57 Lacs
  24. From TWAD Board, Coimbatore for implementation of Combined Water Supply Scheme to Madathukulam of the value of Rs.2,590.95 Lacs.
  25. In addition to the above, 32 projects are progressing well amounting to Rs.33,175.96 Lacs of the value less than Rs.2500 Lacs each at various locations in India
- (iii) **Some of the New Orders secured by the Company valued more than Rs.1000 Lacs each during the year are:-**
1. 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 Rs.15,384.57 Lacs.
  2. 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 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 Rs.10,021 Lacs.



**2400 mm dia RCC NP3 class pipe for Bangalore water supply and Sewerage Board Bangalore.**

3. 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 2125mm, 1825mm & 1025mm dia M.S. Pipes of the value of Rs.5,400 Lacs.
4. From Maharashtra Jeevan Pradhikaran, Sangamner for augmentation to Sangamner Water Supply Scheme for providing, laying, jointing & commissioning of BWSC pipes consisting of 700 & 600mm dia BWSC pipes, 19.8 Kms and 711mm dia M. S. pipes 20 Kms. This project is the largest length BWSC pipes project in Maharashtra of the value of Rs.3,773 Lacs.
5. From TWAD Board, Southern Region, Madurai for CWSS to Vasudevanallur Package I to VI involving 13.65 KMs of 700mm dia BWSC pipes and 54 Kms of 350 to 600 mm dia PSC pipes of the value of Rs.3,362.76 Lacs.
6. From Shegaon Municipal Council, Shegaon for Shegaon Water Supply Scheme, consisting of 600mm & 500mm dia 49.055 Kms PCC Pipeline. This project is the largest PCC Pipeline project in India of the value of Rs.3,327 Lacs.
7. From The Vice-Chairman and Managing Director, APSIDC Limited, Banjara Hills, Hyderabad, for Construction and Commissioning on turnkey basis of Morjampadu Lift Irrigation





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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 Rs.3,059.30 Lacs.

8. From M/s Pratibha Industries Limited, Mumbai for supply, laying and jointing 19.50 KMs of 500mm to 1500mm dia PSC pipes for their Meerut Water supply Project under U. P. Jal Nigam of the value of Rs.2,037 Lacs.
9. From The Chief General Manager (Engg) P & W Circle, HMWS&SB, Maitrivihar, Ameerpet, Hyderabad for providing inlet, outlet and distribution system for 7.5ML capacity new GLSR at Chilkalguda in Chilkalguda zone of the value of Rs.1,938.03 Lacs.
10. From Malgegaon Municipal Council for Augmentation to Malegaon Water Supply scheme, consisting of supply and installation of BWSC pipes of 800, 900, 1000 & 1200mm dia 5.02 Kms of the value of Rs.1,850 Lacs.
11. From The Chief General Manager (Engg) Project Construction Circle-I, HMWS&SB Maitrivihar, Ameerpet, Hyderabad for providing outlet and distribution Mains to the 2 ML GLSR at Bandlaguda under Maisaram water supply zone by manufacturing, supply, lowering, laying, jointing, testing and commissioning of 600mm and 500mm dia MS outlet main from 2 ML capacity. GLSR at Bandlaguda and 400mm, 300mm, 200mm, 150mm and 100mm dia DI K7 class pipes distribution mains in command area of Bandlaguda of the value of Rs.1,375.63 Lacs.
12. From The Chief General Manager (Engg) Project Construction Circle-III, HMWS&SB S. R. Nagar, Hyderabad for providing inlet, outlet and distribution system for 13ML capacity new GLSR at MS Miralam in Miralam zone JNNURM of the value of Rs.1,363.98 Lacs.
13. From The Chief General Manager (Engg), Project Construction Circle-I, HMWS&SB Maitrivihar, Ameerpet, Hyderabad A.P. for providing outlet and distribution Mains to the 5 ML GLSR at Barkas under Maisaram water supply zone by manufacturing, supply, lowering, laying, jointing, testing and commissioning of 900mm, 600mm and 500mm dia MS outlet main from 5 ML capacity. GLSR at Barkas and 400mm, 300mm, 200mm and 150mm DI K7 class pipes distribution mains in command area of Barkas reservoir under JNNURM of the value of Rs.1,297.23 Lacs.
14. From M/s P. C. Snehal Construction Co., Ahmedabad for Jetpur Navagadh Nagarpalika, consisting of 700 & 600mm dia 23.95 Kms BWSC pipes supply of the value of Rs.1,239 Lacs.
15. In addition to the above we have secured 14 orders amounting to Rs.8,357.19 Lacs of the value less than to Rs.1,000 Lacs each at various locations in India.

### (B) Railway Sleepers:

The Company has received an order from Ministry of Railways, Railway Board, New Delhi for manufacture of 2,15,000 sleepers amounting to Rs.2,567.10 Lacs.

During the year the Company has manufactured 1,48,596 sleepers amounting to Rs.1,888.73 Lacs, out of which 43,720 sleepers were manufactured against the above order.

### (C) Bar Wrapped Steel Cylinder (BWSC) Pipes:

The BWSC pipes introduced by the Company as an alternative pipe material to M. S. and D.I. pipe has become popular amongst various Government authorities. The Company has undertaken / undertaking several projects involving BWSC pipes. To meet the demand of BWSC pipes, the Company had specially set up a new manufacturing plant at Choutuppal in Andhra Pradesh in the year 2005 and this plant is running continuously with better productivity yields. During the year under review, this plant had produced 115 Kms of BWSC pipes valued at Rs.5,575.35 Lacs. During the year under review the Company as a whole produced BWSC pipes valued at Rs.12,560 Lacs as against Rs.12,178 Lacs last year.

During the year the Company has received orders worth Rs.25,861 Lacs for BWSC pipes along with other civil works. The Company has commissioned another plant in March, 2009 at Chillamathur in Andhra Pradesh to manufacture BWSC pipes for catering to increased demand for these pipes.

### (D) National Rifle Division:

The National Rifle Division, at Ahmedabad had introduced two new models last year 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 proudly announces the success of 0.177 Compressed Air Rifle in the Interstate level competition held in October, 2009 at Asansol, West Bengal wherein 2 participants among 250 eligible shooters who used this new model in the competition have won Gold and Silver medal by scoring 360 / 400 marks and 354 / 400 marks respectively. Both the above shooters had broken old record of 353/400 marks recorded during G. V. Mavlinkar Shooting Championship 2002. The Company is already manufacturing 8 types of air rifles and air pistols for last more than 21 years which are marketed by our reputed Distributors all over India.

### 4. Outlook:

With the recent Budget focus on infrastructure development, the States and Central Government are giving more emphasis on infrastructure development in the country. Water supply has always been a very important infrastructure activity for any populous location.

For urban & rural water supply projects the main customers have always been Public Health Engineering Department and Panchayat Raj Engineering Department of various State Governments, Corporations, Municipalities, Water & Sewerage Boards, etc. There is huge potential for water supply, sewerage disposal, head works, treatment plants etc. In urban areas about over 40% of the population does not have access to drinking water while in rural area about over 60-65% of the population does not have access to drinking water.

Considering the above factors, outlook for the Company in the water supply, drainage and sewerage segments are 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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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 quarter of the year under review, the prices of one of the key raw material used by the Company i.e. steel increased. However the prices of cement during the year under review declined.

Volatility in the prices of key raw materials especially steel has 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 2010, the Company has achieved an adjusted turnover of Rs.67,564.54 Lacs as compared to last year's adjusted turnover of Rs.66,534.80 Lacs.

The profit before tax & before prior year's charge is Rs.5,060.54 Lacs as against Rs.3,341.36 Lacs achieved last year. The order book position as on 31st March, 2010 is Rs.1,31,528.89 Lacs as compared to Rs.1,49,851.59 Lacs in the previous year.

### 8. Human Resources and Industrial Relations:

The Company has total strength of 1711 employees as on 31st March, 2010 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 its factories at Kekri, Yelhanka, Kanhan, Choutuppal and Pattancheru.

The Company had conducted training programmes to create awareness about importance of industrial safety measures at work places at various factories viz. Hyderabad, Pattancheru, Choutuppal, Kovvur, Chillamathur, Yelhanka, Rajkot and Kekri.

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

### 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 Walchand Foundation and Ratanchand 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 Rs.50 Lacs to Walchand Foundation and Ratanchand Foundation, as a corpus donation.

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 of Educational Grants to 39 students and 3 Institutions and Medical

Aid to needy patients and Institutions / Hospitals by Ratanchand Foundation. Further the Foundation is funding the salary of the nurse working in Human Milk Bank in Lokmanya Tilak Municipal Medical College & General Hospital, Sion, Mumbai.

During the year Ratanchand Foundation had donated Rs.5 Lacs to the Balwantrai Mehta Panchaytiraj Jagruti Kendra, Kushtarog Niwaran Samiti, Shantivan, Panvel, which is running a residential tribal school having 565 students. This donation will be utilized for its Language Laboratory project for adivasi students to improve communication skills for upliftment of villagers steeped in poverty, ignorance, blind beliefs and bring them at par with educated citizens.



Language Laboratory for students to improve communication skills

Similarly, the Walchand Foundation has provided Educational Grants to 59 students and 6 Institutions including donation to SOS Children's Villages of India, Medical Aid to needy patient and Institutions / Hospitals. Further, Ventilator System costing around Rs.9.62 Lacs was also donated to Lokmanya Tilak Municipal Medical College & General Hospital, Sion, Mumbai (LTMG Hospital, Sion).



Ventilator System

The Walchand Foundation had also donated 1 set of F. M. Hearing System of the value of Rs.4.25 Lacs to Sanskardham Vidyalaya for the Hearing Impaired, Goregaon, Mumbai to facilitate learning process of the children with hearing impairment.



Phonak FM system for children having hearing impairment

In all, these Foundations had donated over Rs.50 Lacs towards charitable purpose 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 : 26th May, 2010



## 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, 2010.

### FINANCIAL RESULTS:

	(Rs. In Lacs)	
	Year Ended 31-3-2010	Year Ended 31-3-2009
<b>Income from Operations</b>	<b>67564.54</b>	66534.80
<b>Profit Before Interest, Depreciation &amp; Tax (PBIDTA)</b>	<b>7623.45</b>	5488.22
Less: Interest	1891.21	1655.56
Depreciation	671.70	491.30
	<u>2562.91</u>	<u>2146.86</u>
<b>Profit Before Tax</b>	<b>5060.54</b>	3341.36
Less: Provision for Taxation	1798.00	1209.00
<b>Profit Before Earlier Years' Tax</b>	<b>3262.54</b>	2132.36
Add/(Less): Earlier Years' Tax	(405.24)	398.53
<b>Net Profit After Tax</b>	<b>2857.30</b>	2530.89
Add: Transfer from General Reserve No.II	397.89	-
Balance Brought Forward from last year	7301.90	6352.80
<b>Surplus available for Appropriation</b>	<b>10557.09</b>	8883.69
Less: Proposed Dividend	484.47	411.80
Tax on Dividend	82.34	69.99
General Reserve No.I	700.00	700.00
General Reserve No.II	-	400.00
Debenture Redemption Reserve	500.00	-
	<u>1766.81</u>	<u>1581.79</u>
<b>Surplus Carried to Balance Sheet</b>	<b>8790.28</b>	7301.90

### PERFORMANCE REVIEW :

Your Company's operations of its various projects under execution continued to be profitable, with continued efforts to reduce costs and improve yield as also bettering the productivity levels.

During the year under review, the income from operations marginally grew by 1.55% to Rs.67,564.54 Lacs as compared to Rs.66,534.80 Lacs of the previous year. The profit after tax for the year at Rs.2,857.30 Lacs was higher compared to Rs.2,530.89 Lacs of the previous year signifying a growth of 12.90%. The prior years' Adjustments and Exceptional Items on account of Income Tax provision of earlier year was Rs.405.24 Lacs as compared to Income Tax Refund of Rs.398.53 Lacs of the previous year.

### DIVIDEND :

Your Directors are pleased to recommend a dividend of Rs.10/- per share (100%) as against Rs.8.50 per share (85%) 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 Rs. 566.81 Lacs.

### FINANCE :

During the year under review, the liquidity position of your Company was maintained satisfactorily and optimum utilisation of financial resources was achieved. Due to slower realisation from the Project Authorities, overall borrowings increased. Despite the Management resorting to cheaper sources of finance due to increased borrowings, interest cost had gone up. The Company has been prompt in meeting obligations towards its bankers and other trade creditors. The Company had issued Commercial Papers of Rs.10 Crores which has since been repaid on maturity. The Company had also issued Secured Redeemable Non-Convertible Debentures of Rs.20 Crores having a tenure of 360 days to LIC Mutual Fund maturing in the current financial year. As required under the Companies Act, 1956, the Company has created Debenture Redemption Reserve.

### INCOME TAX ASSESSMENT :

The Income Tax assessment of your Company has been completed till financial year 2006-07. The Company's appeals against the assessment orders for various financial years are pending with the Appellate Authorities. The amount involved in the appeal is Rs.3,932.71 Lacs which comprise of major dispute with regard to claim under Section 80IA of the Income Tax



## DIRECTORS' REPORT

Act in respect of execution of eligible infrastructure water, sewerage and irrigation projects. The Company has, however made necessary provision in the accounts. Though the Company's appeal has been decided in its favour by the Income Tax Appellate Tribunal for the financial year 2002-03, the Income Tax Department has filed appeal before the Hon'ble Bombay High Court. The appeal is pending for adjudication.

### FACTORIES / PROJECTS:

During the year, the Company has purchased a small plot of adjacent land to its existing factory at Miraj in Maharashtra for expanding its business activities.

During the year, the Company has closed down its factory at Raichur in Karnataka State.

Thus the total number of factories / project establishments of the Company as at the end of period under report stand at 28.

### 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 for 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.

### SUB-DIVISION OF FACE VALUE OF SHARES

With a view to improve liquidity in Company's Shares on the stock market, a resolution is proposed for consideration of the shareholders at the ensuing Annual General Meeting for sub-division of the nominal face value of existing one Equity Share of Rs.10/- into five Equity Shares of Rs.2/- each.

### PUBLIC DEPOSITS AND LOANS/ADVANCES:

An aggregate amount of Rs.10,49,000/- representing 65 fixed deposits had matured but remained unpaid / unclaimed as at 31st March, 2010 pending instructions from the depositors concerned. Since then 15 fixed deposits aggregating Rs.2,95,000/- have been repaid.

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, 2010 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, 2010.

### DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Article 152 of the Articles of Association of the Company, Ms. Jyoti R. Doshi and Mr. Rajendra M. Gandhi Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

### 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, 2010, 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, 2010 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, 2010 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 bearing ICAI Registration No. 100186W retire as auditors of the Company at the ensuing Annual General Meeting 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 2010-11.



## **DIRECTORS' REPORT**

### **BRANCH AUDITORS :**

M/s. Brahmayya & Co., Chartered Accountants, Hyderabad, retire 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 2010-11 and also authorise Board of Directors to appoint Branch Auditors in other States.

### **COST AUDITOR :**

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.

The Company has submitted application u/s 233(B) of the Companies Act, 1956 to the Central Government, Ministry of Corporate Affairs, New Delhi for re-appointment of Mr. V. V. Deodhar, Cost Accountant as Cost Auditor, for the financial year 2010-11 to do the Cost Audit in respect of one of the Company's products, viz. Steel Pipes. The approval has been received.

### **INDUSTRIAL RELATIONS :**

The Company is having total strength of 1,711 employees as on 31st March, 2010 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 : 26th May, 2010

## 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 Rs.196.49 Lacs (0.29% of the turnover) as compared to Rs.182.88 Lacs (0.28 % of the turnover) of previous year.

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

- 1) A Hydraulically operated equipment was developed to lift heavy and larger diameter (say 2000 mm dia and above) Pipes with core in assembly and demoulding section. This has reduced structural weight of shed and Hoists capacity.
- 2) Modification work of Pattancheru & Karari factories including machineries were carried out to manufacture 2000 mm dia PSC Pipes.
- 3) Modification work of Yelhanka factory including machineries were carried out to manufacture 2000 mm & 2400 mm dia RCC Pipes.
- 4) Designed and developed RCC cage making machines suitable to manufacture 2000 mm and 2400 mm dia cages at Yelhanka factory
- 5) Designed and developed Hydraulic Testing machine and External Load Testing Machine for testing of 2000 mm and 2400 mm dia RCC Pipes.
- 6) Designed and got installed M.S. Sheet decoiling machine at Chillamathur factory which is working satisfactorily. This has reduced the dependency on outside party for decoiling of M.S. Coils.
- 7) Designed and developed 1900 mm dia BWSC Pipes at our Pattancheru factory. The quality of pipe and Hydrostatic testing found satisfactory.
- 8) 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 : 26th May, 2010





# 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 and the number of Independent Directors are more than half of the total strength 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 organisation are achieved successfully.

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

### The Constitution of the Board as on 31st March, 2010 is as under :

Directors	Category	Total number of Committee Memberships of Public Companies as on 31st March, 2010 +	Total number of Chairmanships of Committees of Public Companies as on 31st March, 2010 +	Total number of Directorships of other Public Companies as on 31st March, 2010 *
<b>Executive</b>				
Mr. Rajas R. Doshi Chairman & Managing Director	Promoter	5	1	3
<b>Non-Executive</b>				
Mr. Ajit Gulabchand	Independent	4	1	13
Ms. Jyoti R. Doshi	Promoter	Nil	Nil	1
Mr. Rajendra M. Gandhi	Independent	1	1	Nil
Mr. Rameshwar D. Sarda	Independent	1	Nil	1
Mr. N. Balakrishnan	Independent	2	Nil	1
Ms. Anima B. Kapadia	Non-Independent	2	1	2
Mr. Vijay Kumar Jatia	Independent	2	Nil	7

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

\* Excludes Directorships in Private Companies, Foreign Companies, Section 25 Companies, Government Bodies and Directorships in The Indian Hume Pipe Co. Ltd.

Ms. Anima 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.

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 of an amount not exceeding Rs.16 Lacs per annum in aggregate for a period of 3 years commencing from the financial year 2009-10, the remuneration that one Director 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 eight Directors and out of which two belongs to Promoter Group and out of which one is the Chairman & Managing Director. There are five Independent Non-Executive Directors and professionals with expertise and experience in general corporate management, finance, insurance, law, construction and other allied fields and one Director is Non-independent Non-Executive Director.

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 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 for 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 development 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 remuneration paid / payable to Non-Executive Directors for the year ended 31st March, 2010 is as under :

Director	Board	Committee	Commission *	Total
Mr. Ajit Gulabchand	10,000	--	2,28,571	2,38,571
Ms. Jyoti R. Doshi	40,000	--	2,28,571	2,68,571
Mr. Rajendra M. Gandhi	40,000	40,000	2,28,571	3,08,571
Mr. Rameshwar D. Sarda	40,000	40,000	2,28,571	3,08,571
Mr. N. Balakrishnan	40,000	30,000	2,28,571	2,98,571
Ms. Anima B. Kapadia	40,000	30,000	2,28,571	2,98,571
Mr. Vijay Kumar Jatia	40,000	60,000	2,28,571	3,28,571
<b>Total :</b>	<b>2,50,000</b>	<b>2,00,000</b>	<b>15,99,997</b>	<b>20,49,997</b>

\* Provision has been made in accounts for the year 2009-10.

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, 2009 to 31st March, 2010 on the following dates:

- 28th May, 2009
- 27th July, 2009
- 29th October, 2009
- 28th January, 2010

The Eighty Third Annual General Meeting was held on 27th July, 2009.

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

Director	No. of Board Meeting Attended	Attendance At the AGM
Mr. Rajas R. Doshi	4	Yes
Mr. Ajit Gulabchand	1	Yes
Ms. Jyoti R. Doshi	4	Yes
Mr. Rajendra M. Gandhi	4	Yes
Mr. Rameshwar D. Sarda	4	Yes
Mr. N. Balakrishnan	4	Yes
Ms. Anima B. Kapadia	4	Yes
Mr. Vijay Kumar Jatia	4	Yes

### D. Directors seeking re-appointment

Ms. Jyoti R. Doshi and Mr. Rajendra M. Gandhi, Directors retire by rotation and being eligible have offered themselves for re-appointment. The bio-data 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, 2010

Non-Executive Directors are paid sitting fee of Rs.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 Rs.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 26th May, 2010, has decided to pay equal commission to all Non-executive Directors for the financial year 2009-10.

(Rupees)



## CORPORATE GOVERNANCE REPORT

### B. Remuneration to the Managing Director for the year ended 31st March, 2010.

Remuneration payable to the Managing Director is fixed by the Remuneration Committee and thereafter approved by the Board and Shareholders at a General meeting.

Following is the remuneration paid/payable to the Managing Director for the year ended 31st March, 2010 :

(Rupees in Lacs)

Director	Salary, Perquisites and Allowances	Company's contribution to funds*	Commission*	Total	Contract Period
Mr. Rajas R. Doshi Chairman & Managing Director	79.97	12.55	173.28	265.80	5 years with effect from 01-07-2008 to 30-06-2013

\* Provision has been made in accounts for the year 2009-10.

#### 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 to the Managing Director is recommended by the Remuneration Committee.
3. Commission proposed is payable to the Chairman & Managing Director after the Audited Accounts are adopted by the Members of the Company at the ensuing Annual General Meeting.

### 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 the 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, 2009 to 31st March, 2010 on the following dates:

- 28th May, 2009
- 27th July, 2009
- 29th October, 2009
- 28th January, 2010

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	4
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 Kapadia, Mr. Rajas R. Doshi, Mr. Ajit Gulabchand and Mr. N. Balakrishnan as members.

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

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

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 29th October, 2009. 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	No



## CORPORATE GOVERNANCE REPORT

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

During the year, 16 letters / complaints were received from the shareholders, all of which were attended to/resolved to date.

As on 31st March, 2010, there were no pending share transfers pertaining to the year under review.

### 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 comprises of Mr. N. Balakrishnan, Mr. Vijay Kumar Jatia, Non-Executive Independent Directors and Ms. Anima Kapadia, Non-Executive Director.

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

During the year two Committee meetings were held on 28th May, 2009 and 27th July, 2009. The attendance at the meeting was as under :

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

### 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 2009-10, 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 given in note No.14 of Schedule "R" 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 shall be periodically reviewed and further improvement/s, if any, suggested by the Management shall 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. 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, 2010.

## V. SHAREHOLDER INFORMATION

### (i) Annual General Meeting

The Eighty Fourth Annual General Meeting of the Company will be held on Thursday, 29th July, 2010 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

The financial year covers the period 1st April to 31st March.

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

June, 2010 - by end of July, 2010.

September, 2010 - by end of October, 2010.

December, 2010 - by end of January, 2011.

Audited financial results for the year ended 31st March, 2011 - by end of May, 2011.

AGM for the year ended 31st March, 2011 - by end of July, 2011.

Note : The above dates are indicative.

### (iii) Book Closure

20th July, 2010 to 29th July, 2010 (both days inclusive).

### (iv) Dividend Payment Date

On or after 2nd August, 2010.



## CORPORATE GOVERNANCE REPORT

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

- Bombay Stock Exchange Limited.
- National Stock Exchange of India Limited

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

### (vi) Stock Codes :

Bombay Stock Exchange Limited (BSE)	504741
National Stock Exchange of India Ltd. (NSE)	INDIANHUME
Demat International Securities Identification Number (ISIN) in NSDL and CDSL for Equity Shares	INE 323C01022

### (vii) Stock Market price data:

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

Month	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2009	380	255	375	249
May 2009	554	294	547	285
June 2009	645	455	647	452
July 2009	594	455	600	437
August 2009	590	492	599	490
September 2009	729	533	729	501
October 2009	670	548	665	545
November 2009	665	560	665	500
December 2009	654	587	655	585
January 2010	909	615	920	618
February 2010	830	695	830	696
March 2010	800	705	800	702

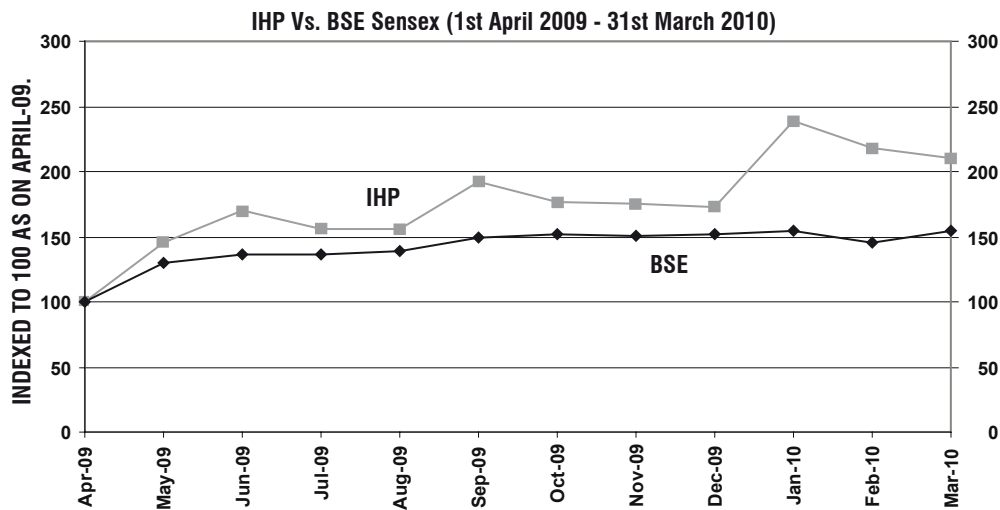
### (viii) Stock Performance in comparison to BSE Sensex.

Month	BSE Sensex				IHP Price			
	Open	High	Low	Close	Open	High	Low	Close
April 2009	9746	11492	9546	11403	255	380	255	295
May 2009	11635	14931	11621	14625	300	554	294	542
June 2009	14747	15600	14017	14494	596	645	455	489
July 2009	14506	15733	13220	15670	499	594	455	535
August 2009	15695	16002	14684	15667	538	590	492	559
September 2009	15691	17142	15357	17127	556	729	533	659
October 2009	17186	17493	15805	15896	641	670	548	595
November 2009	15839	17290	15331	16926	591	665	560	605
December 2009	16947	17531	16578	17465	597	654	587	617
January 2010	17473	17790	15982	16358	625	909	615	774
February 2010	16339	16669	15652	16430	784	830	695	705
March 2010	16438	17793	16438	17528	723	800	705	728

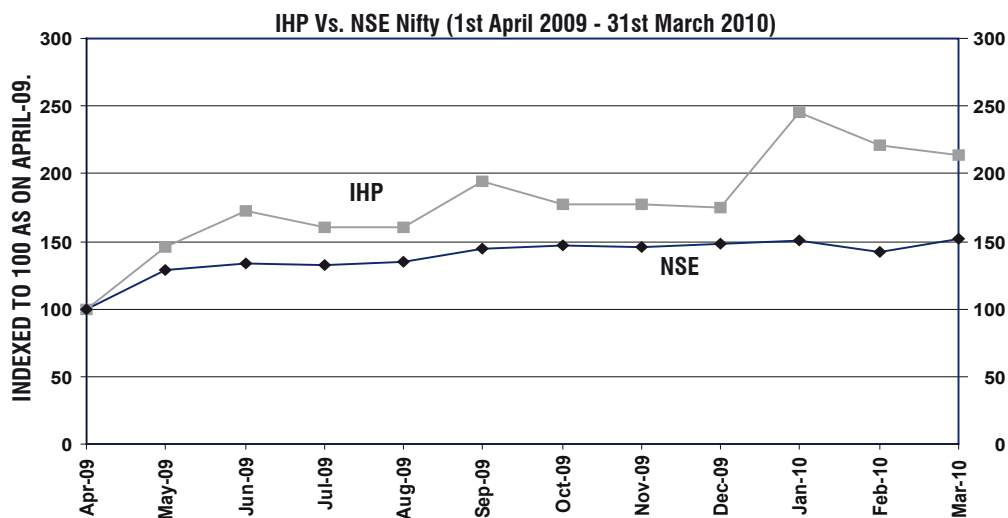
## CORPORATE GOVERNANCE REPORT

### (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 2009-10.



BSE Sensex and IHP Shares Prices are indexed to 100 at the beginning of April-2009.



NSE Nifty and IHP Shares Prices are indexed to 100 at the beginning of April-2009

### (x) Pattern of shareholding as on 31st March, 2010

Sr. No.	Description	Number of Shares	% to paid-up capital
1	Promoters	33,87,477	69.92
2	Directors & Relatives	13,806	0.28
3	Insurance Companies / Public Financial Institutions	8,191	0.17
4	Banks	8,847	0.18
5	Non Resident Indians / Non-resident	13,125	0.27
6	Bodies Corporate	2,34,979	4.85
7	Public	11,78,292	24.32
	<b>TOTAL</b>	<b>48,44,717</b>	<b>100.00</b>



## CORPORATE GOVERNANCE REPORT

### (xi) Distribution of shareholding as on 31st March, 2010

Shares Held	No. of Shareholders	% to Shareholders	No. of Shares	% to Capital
Up to – 500	13,119	96.74	7,33,844	15.15
501 – 1000	251	1.85	1,88,779	3.90
1001 - 2000	121	0.89	1,76,540	3.64
2001 – 3000	29	0.21	71,062	1.47
3001 – 4000	14	0.10	48,372	1.00
4001 - 5000	6	0.04	26,109	0.54
5001 – 10000	11	0.08	85,777	1.77
10001 - and above	10	0.07	35,14,234	72.54
<b>TOTAL</b>	<b>13,561</b>	<b>100.00</b>	<b>48,44,717</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, 2010.

Physical Form	:	72.52%
Dematerialised Form	:	27.48%

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

### (xiv) Registrar and Transfer Agents-

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  
Fax No. 022-25946969  
E-mail: rnt.helpdesk@linkintime.co.in

### (xv) Share Transfer System

All the transfers received in physical form are processed by the Registrar and Share Transfer Agents of the Company and are approved by the Managing Director of the Company, who normally approves the transfers twice in 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 factories / projects establishments of the Company are 28.

### (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 : smmandke@indianhumepipe.com

## VI. OTHER DISCLOSURES

### 1. Annual General Meetings held during the past three years :

Year	Date	Time
2006-07	30.07.2007	4.00 p.m.
2007-08	30-07-2008	4.00 p.m.
2008-09	27-07-2009	4.00 p.m.

All the meetings were held at Walchand Hirachand Hall, 4th floor, Indian Merchants Chamber Building, Churchgate, Mumbai – 400 020

The following Special Resolutions were passed in the previous 2 out of 3 Annual General Meetings:

Financial Year	Date of meeting	Special Resolutions passed
2006-2007	30-07-2007	No special resolution was passed during the meeting
2007-2008	30-07-2008	Commencement of New Business by the Company
2008-2009	27-07-2009	Payment of commission to Non-Executive Directors

The Company has not passed any special resolution last year through postal ballot. The Company has not proposed any special resolution to be conducted 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.



## CORPORATE GOVERNANCE REPORT

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### 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. 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.

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### 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 : 26th May, 2010



## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
The Indian Hume Pipe Company Limited

We have examined the compliance of conditions of Corporate Governance by The Indian Hume Pipe Company Limited for the financial year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the 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 : 26th May, 2010

## AUDITORS REPORT

To the Members of  
The Indian Hume Pipe Company Limited

We have audited the attached Balance Sheet of The Indian Hume Pipe Company Limited as at 31st March, 2010, the Profit and Loss Account 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.

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.

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.

Further to our comments in the Annexure referred to 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, Profit and Loss account 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, Profit and Loss account 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, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 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, 2010;
  - b) in case of the Profit and Loss account, 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

**RAGHUVIR M. AIYAR**

Partner  
(M. No.38128)

Place : Mumbai  
Date : 26th May 2010



## 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 and there are no arrears outstanding as at the year end for a period of more than six months from the date they became payable.
- (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:

Name of Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending		
			Commissionerate/ Dy. Commissionerate (Rs. in Lacs)	Appellate Tribunal Authorities (Rs. in Lacs)	High Court (Rs. in Lacs)
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
		1991-92	-	31.31	15.09
		1992-93	-	15.40	90.82
		1993-94	-	16.41	88.83
		1994-95	-	53.11	69.66
		1995-96	-	72.99	157.94



## ANNEXURE TO AUDITORS REPORT

Name of Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending		
			Commissionerate/ Dy. Commissionerate (Rs. in Lacs)	Appellate Tribunal Authorities (Rs. in Lacs)	High Court (Rs. in Lacs)
		1996-97	-	3.04	91.92
		1997-98	21.80	-	65.35
		1998-99	-	-	59.30
		1999-00	-	-	5.81
		2000-01	-	-	85.30
		2001-02	-	-	197.15
		2002-03	-	16.46	168.40
		2003-04	-	70.56	120.21
		2004-05	-	-	59.95
		2005-06	-	-	32.53
		2006-07	33.47	-	34.45
		2007-08	15.32	-	-
		2008-09	-	-	-
		2009-10	0.53	-	-
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	-	386.00	-	
	2008-09	170.12	439.34	-	
	2009-10	74.75	0.74	-	
Service Tax	Tax, Penalty, Interest	2008-09	-	1.80	-
		2009-10	7.76	-	-



## **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) During the period covered by our audit, the Company has issued 20,00,000 privately placed rated secured redeemable non-convertible debentures of Rs. 100/- each. The Company has created charge in respect of these debentures.
- (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

**Raghuvir M. Aiyar**  
Partner  
(M. No.38128)

Place : Mumbai  
Date : 26th May 2010

## BALANCE SHEET AS AT 31 ST MARCH, 2010

	Schedule	Rs.Lacs	As at 31-03-2010 Rs.Lacs	As at 31-03-2009 Rs.Lacs
<b>SOURCES OF FUNDS</b>				
<b>Shareholders' Funds</b>				
Share Capital	A	484.47		484.47
Reserves and Surplus	B	18297.37		16006.88
			18781.84	16491.35
<b>Loan Funds</b>				
Secured Loans	C	10871.54		14265.05
Unsecured Loans	D	9657.66		4599.68
			20529.20	18864.73
<b>TOTAL</b>			<b>39311.04</b>	<b>35356.08</b>
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
Gross Block	E	10863.77		9473.95
Less: Depreciation		4453.93		3866.31
Net Block		6409.84		5607.64
Capital Work in Progress		118.93		64.34
<b>Total Fixed Assets (Net)</b>			<b>6528.77</b>	<b>5671.98</b>
<b>Investments</b>	F		<b>1749.72</b>	<b>252.12</b>
<b>Deferred Tax Assets (Net)</b>			<b>75.80</b>	<b>95.80</b>
<b>Current Assets, Loans and Advances</b>				
Inventories	G	42803.52		31787.39
Sundry Debtors		1774.94		2699.65
Cash and Bank Balances		2290.85		1976.74
Other Current Assets		23.24		545.51
Loans and Advances		8972.46		8075.30
		55865.01		45084.59
<b>Less: Current Liabilities and Provisions</b>				
Current Liabilities	H	24078.81		14989.39
Provisions		829.45		759.02
		24908.26		15748.41
<b>Net Current Assets</b>			<b>30956.75</b>	<b>29336.18</b>
<b>TOTAL</b>			<b>39311.04</b>	<b>35356.08</b>

The annexed schedules 'A' to 'H' & 'R' form an integral part of the Balance Sheet.

In the opinion of the Board, the current assets, loans and advances, subject to the notes in schedule "R" are approximately of the values stated if realised in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary. There are no contingent liabilities to our knowledge other than those stated in schedule "R".

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: 26th May, 2010

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

Chairman & Managing Director

Directors

S M MANDKE

Company Secretary

Mumbai: 26th May, 2010



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	Rs.Lacs	For the Year 31-03-2010 Rs.Lacs	For the Year 31-03-2009 Rs.Lacs
<b>INCOME</b>				
Income From Operations	I		67564.54	66534.80
Other Operating Income	J		172.07	300.53
Other Income	K		36.75	10.70
			<b>67773.36</b>	<b>66846.03</b>
<b>EXPENDITURE</b>				
Consumption of Raw Materials and Stores	L	14474.23		20523.38
Manufacturing and Other Expenses	M	1261.05		1663.30
Construction Expenses	N	35694.55		30466.01
Employees' Remuneration and Welfare Expenses	O	3346.14		2931.43
Excise Duty and Taxes		2912.34		3501.93
Office and Site Establishment	P	2461.60		2271.76
Interest	Q	1891.21		1655.56
Depreciation		671.70		491.30
			<b>62712.82</b>	<b>63504.67</b>
<b>OPERATING PROFIT BEFORE TAX</b>			<b>5060.54</b>	<b>3341.36</b>
<b>Provision For Taxation</b>				
Current Tax		1778.00		1158.00
Deferred tax		20.00		14.00
Fringe Benefit Tax		-		37.00
			<b>1798.00</b>	<b>1209.00</b>
<b>PROFIT AFTER TAXATION BEFORE PRIOR YEARS' ADJUSTMENT</b>			<b>3262.54</b>	<b>2132.36</b>
<b>PRIOR YEARS' ADJUSTMENT</b>				
Income Tax (Provision) / Refund of Earlier Years			(405.24)	398.53
<b>NET PROFIT AFTER TAX</b>			<b>2857.30</b>	<b>2530.89</b>
Add: Transfer From General Reserve No.II			397.89	-
Add: Balance brought forward from last year			7301.90	6352.80
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>			<b>10557.09</b>	<b>8883.69</b>
<b>Less : Appropriations</b>				
Proposed Dividend		484.47		411.80
Tax on Proposed Dividend		82.34		69.99
General Reserve No.I		700.00		700.00
General Reserve No.II		-		400.00
Debenture Redemption Reserve		500.00		-
			<b>1766.81</b>	<b>1581.79</b>
<b>Balance Carried to Balance Sheet</b>			<b>8790.28</b>	<b>7301.90</b>
<b>Earnings Per Share (Rs.)</b>				
(Face value of Rs. 10/- each)				
EPS- Basic and Diluted (before prior years' Adjustment)			67.34	44.01
EPS- Basic and Diluted (after prior years' Adjustment)			58.98	52.24
Significant Accounting Policies and Notes to and forming part of Accounts	R			
The annexed schedules 'I' to 'R' form an integral part of the Profit and Loss Account.				

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: 26th May, 2010

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

S M MANDKE

Chairman & Managing Director

Directors

Company Secretary

Mumbai: 26th May, 2010



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	As at 31-03-2010 Rs.Lacs	As at 31-03-2009 Rs.Lacs
<b>SCHEDULE A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
1,00,00,000 (Previous year- 1,00,00,000) Equity Shares of Rs.10/- each	<u>1000.00</u>	<u>1000.00</u>
<b>Issued,Subscribed and Paid-up</b>		
48,44,717 (Previous year- 48,44,717) Equity Shares of Rs. 10/- each Fully paid.	<u>484.47</u>	<u>484.47</u>
<b>Share Capital includes</b>		
(a) 38,69,457 (Previous year- 38,69,457) Equity Shares of Rs. 10/- each issued as fully paid Bonus Shares by Capitalisation of Reserves.		
(b) 3,75,000 (Previous year- 3,75,000) Equity Shares of Rs. 10/- each issued by part conversion of 13.5 % Debentures as per terms on 01-10-1993.		
(c) IHP Finvest Ltd holding Company and Ratanchand Investment Ltd., the ultimate holding Company respectively hold 31,93,416 and 87,232 (Previous year- 31,93,416 and 87,232) Equity Shares of Rs. 10/- each.		

### SCHEDULE B

#### RESERVES & SURPLUS

<b>a) General Reserve No.I</b>	<b>8304.98</b>	7604.98
Add: Transfer from Profit & Loss Account	700.00	700.00
Add: Transfer from General Reserve No.II	<u>2.11</u>	<u>-</u>
	<b>9007.09</b>	8304.98
<b>b) General Reserve No.II</b>	<b>400.00</b>	-
Add: Transfer from Profit & Loss Account	-	400.00
Less: Transfer to Profit & Loss Account	397.89	-
Less: Transfer to General Reserve No.I	<u>2.11</u>	<u>-</u>
	-	400.00
<b>c) Debenture Redemption Reserve</b>	-	-
Add: Transfer from Profit & Loss Account	<u>500.00</u>	<u>-</u>
	<b>500.00</b>	-
<b>d) Balance of Profit &amp; Loss Account</b>	<u>8790.28</u>	<u>7301.90</u>
<b>TOTAL</b>	<u>18297.37</u>	<u>16006.88</u>



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	Rs. Lacs	As at 31-03-2010 Rs.Lacs	As at 31-03-2009 Rs.Lacs
<b>SCHEDULE C</b>			
<b>SECURED LOANS</b>			
<b>A) Cash Credit/Working Capital Demand Loans From Banks</b>			
i) State Bank of India	-		5912.94
ii) State Bank of Hyderabad	84.67		576.28
iii) Bank of Baroda	70.20		1801.19
iv) Corporation Bank	-		884.04
v) HDFC Bank	-		690.60
		<b>154.87</b>	9865.05
<b>B) General Purpose Corporate Term Loan</b>			
i) State Bank of India	1216.67		2300.00
ii) HDFC Bank	-		100.00
		<b>1216.67</b>	2400.00
<b>C) Short Term Loan</b>			
State Bank of India		<b>7500.00</b>	2000.00
<b>D) 20,00,000 - 6.90% Rated Secured Redeemable Non-Convertible Debentures of Rs. 100/- each</b>		<b>2000.00</b>	-
<b>TOTAL</b>		<b>10871.54</b>	14265.05

- a) All the above cash credit accounts inclusive of working capital demand loans and short term loan are secured by hypothecation of stock in trade, work in progress and book debts 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 on pari passu basis with the consortium Banks.
- b) General purpose Corporate Term Loan taken from State Bank of India is secured against a first charge on Company's Land situated at Badarpur, New Delhi.
- c) General purpose Corporate Term Loan taken from HDFC Bank is secured against a first charge on Company's Land situated at Yelhanka, Bangalore.
- d) Non Convertible Debenture ( NCD ) issued to LIC Mutual Fund Asset Management Co. Ltd. are secured by Equitable Mortgage on third charge basis on Company's freehold immovable property ( Land situated at Pattancheru ( A P ) and at Kanhan ( Maharashtra ) ) to the extent of Rs. 20 Crores.

### SCHEDULE D

#### UNSECURED LOANS

(1) Fixed Deposits		511.13	833.87
(2) Short-term loans and advances from banks			
HDFC Bank	1000.00		-
State Bank Of Hyderabad	2000.00		-
Standard Chartered Bank	-		1000.00
Kotak Mahindra Bank	-		750.00
Bank of Nova Scotia	2500.00		-
		<b>5500.00</b>	1750.00
(3) Other loans and advances			
Advances/Deposits from Contractees		<b>3646.53</b>	2015.81
<b>TOTAL</b>		<b>9657.66</b>	4599.68

## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

### SCHEDULE 'E'

#### FIXED ASSETS

(Rs. in Lacs)

Sr No	ASSETS	GROSS BLOCK (at book value)				DEPRECIATION				NET BLOCK	
		As at 1/4/2009	Additions	Deductions / Adjustment	As at 31/3/2010	Upto 1/4/2009	Adjustment on Deductions	For the period	As at 31/3/2010	As at 31/3/2010	As at 1/4/2009
1	Free hold Land	954.06	67.57		<b>1021.63</b>					<b>1021.63</b>	954.06
2	Lease hold Land	2.05			<b>2.05</b>	0.79		0.02 *	<b>0.81</b>	<b>1.24</b>	1.26
3	Buildings	3800.83	559.44	26.10	<b>4334.17</b>	1020.86	23.37	238.81	<b>1236.30</b>	<b>3097.87</b>	2779.97
4	Plant & Machinery & Equipment	3891.01	758.00	29.90	<b>4619.11</b>	2356.70	27.71	336.79	<b>2665.78</b>	<b>1953.33</b>	1534.31
5	Office Equipments & Furniture	173.86	21.20	5.14	<b>189.92</b>	105.38	3.82	15.04	<b>116.60</b>	<b>73.32</b>	68.48
6	Patents	3.45			<b>3.45</b>	3.44			<b>3.44</b>	<b>0.01</b>	0.01
7	Vehicles	648.69	82.31	37.56	<b>693.44</b>	379.14	29.20	81.07	<b>431.01</b>	<b>262.43</b>	269.55
<b>Total</b>		<b>9473.95</b>	<b>1488.52</b>	<b>98.70</b>	<b>10863.77</b>	<b>3866.31</b>	<b>84.10</b>	<b>671.73</b>	<b>4453.93</b>	<b>6409.84</b>	-
Total of previous year		7224.78	2310.70	61.52	9473.95	3425.38	50.40	491.32	3866.31	-	5607.64
<b>Capital Work in Progress- ( including Advances )</b>										<b>118.93</b>	64.34
<b>Total</b>										<b>6,528.77</b>	5,671.98

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



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

### SCHEDULE F INVESTMENTS

Sr. No.	PARTICULARS	NOS.	FACE VALUE EACH (In Rs.)	As at 31st March 2010 (Rs. In Lacs)			As at 31st March 2009 (Rs. In Lacs)		
				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>A.</b>	<b>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	--	--
	<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.	160000	1	--	9.92	214.40	--	9.92	62.72
	- Tata Consultancy Services Ltd	4000	1	--	8.50	31.23	--	8.50	10.80
	- National Thermal Power Corporation Ltd	16759	10	--	10.39	34.69	--	10.39	30.20
	- M/s. Ogale Glass Works Ltd.	5907	5						
	- M/s. Deccan Agricultural Industries Ltd. 5% Preference Shares	63	100	--	--	--	--	--	--
	- M/s. Bharat Prakashan Ltd.	1000	20	--	--	--	--	--	--
	- M/s. Mysore State Film Industry Development Corporation Ltd.	100	100	--	--	--	--	--	--
	<b>IN CAPITAL TAX SAVINGS BONDS</b>								
	- Rural Electrification Corporation Ltd.		10000	--	--	--	61.19	--	--
	<b>IN EQUITY LINK MUTUAL FUNDS (At Cost)</b>								
	<b>UNITS OF MUTUAL FUNDS</b>								
	- HDFC Equity Fund Growth	8107	10	--	--	--	--	10.00	8.82
	- Prudential ICICI Fusion Fund Growth	500000	10	--	--	--	--	50.00	33.00
	- Prudential ICICI Dynamic Fund Growth	17471	10	--	--	--	--	10.00	8.66
	- JP Morgan India Equity Fund Dividend	244499	10	--	--	--	--	25.00	14.64
	- SBI One India Fund Growth	50000	10	--	5.00	5.33	--	5.00	2.73
	- JM Emerging Leaders Fund Growth	201149	10	--	21.00	15.78	--	21.00	6.81
	- SBI Capital Protection Oriented Fund Series I	50000	10	--	5.00	5.26	--	5.00	4.90
<b>B.</b>	<b>CURRENT INVESTMENTS</b>								
	<b>UNITS OF MUTUAL FUNDS</b>								
	- HDFC Treasury Management Fund	15951547	10	--	1600.18	1600.18	--	--	--
	- SBI Ultra Short Term	248720	10	--	25.07	25.06	--	--	--
<b>C.</b>	<b>REAL ESTATE- PMS</b>								
	- HDFC AMC Ltd A/C REP			--	64.20	64.20	--	35.66	35.66
	<b>TOTAL ==&gt;</b>			0.46	1749.26	1996.13	61.65	190.47	218.94
					1749.72			252.12	

# Rs.0.10 lacs deposited against Contracts (Previous Year Rs. 0.10 lacs).



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	Rs. Lacs	As at 31-03-2010 Rs.Lacs	As at 31-03-2009 Rs.Lacs
<b>SCHEDULE G</b>			
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
<b>I) INVENTORIES</b>			
(As Valued and certified by the Management)			
<b>Raw Materials, Stores &amp; Spares</b>			
Raw Materials (including in transit)	1351.17		1137.27
Stores and Spares (including in Transit)	<u>616.70</u>		<u>556.17</u>
	<b>1967.87</b>		<b>1693.44</b>
<b>Stock in Trade &amp; Work in Progress</b>			
Finished Goods	860.30		543.08
Goods in Process	27.68		10.85
Work in Progress	<u>14.85</u>		<u>14.85</u>
	<b>902.83</b>		<b>568.78</b>
<b>Contract Work in Progress</b>			
Work in Progress: Value of			
Work Done at Contract Rates			
i) At Laying Site	31920.43		23056.61
ii) At Factory	<u>1900.12</u>		<u>2489.55</u>
	<b>33820.55</b>		<b>25546.16</b>
Less: Progress Payments and Advances			
from contractees to the extent			
of value of work done			
	<u>69.51</u>		<u>807.39</u>
<b>Net Work-in-progress</b>	<b>33751.04</b>		<b>24738.77</b>
<b>Works Retention</b>			
Money retained by Contractees	<u>6181.78</u>		<u>4786.40</u>
	<b>39932.82</b>		<b>29525.17</b>
		<b>42803.52</b>	<b>31787.39</b>
<b>II) SUNDRY DEBTORS : (UNSECURED)</b>			
<b>a) Considered good</b>			
i) Over six months	921.15		1116.15
ii) Others	853.79		<u>1583.50</u>
<b>b) Considered Doubtful</b>			
Over six months	23.15		25.56
Less: Provision for doubtful debts	<u>23.15</u>		<u>25.56</u>
	<b>-</b>		<b>-</b>
		<b>1774.94</b>	<b>2699.65</b>
<b>III) CASH AND BANK BALANCES</b>			
Cash on Hand	14.89		19.36
Cheques on Hand	1052.41		794.52
Balances with Scheduled Banks			
- On Current Accounts	916.61		920.65
- On Fixed Deposit	<u>306.94</u>		<u>242.21</u>
		<b>2290.85</b>	<b>1976.74</b>



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	Rs. Lacs	As at 31-03-2010 Rs.Lacs	As at 31-03-2009 Rs.Lacs
<b>IV) OTHER CURRENT ASSETS</b>			
Income Tax Refund Receivable	–		398.53
Interest Receivable	<u>23.24</u>		<u>146.98</u>
		<b>23.24</b>	<u>545.51</u>
<b>V) LOANS AND ADVANCES</b>			
Unsecured : (considered good, unless otherwise stated)			
Advances recoverable in cash or in kind or for value to be received	<b>5375.24</b>		4553.87
Advance Payment of Taxes	<b>3837.32</b>		2994.45
Less : Provision for Taxation	<u>3830.67</u>		<u>2754.39</u>
	<b>6.65</b>		240.06
Deposits with Excise Department	<b>123.85</b>		66.00
Security and Other Deposits	<u>3466.72</u>		<u>3215.37</u>
		<b>8972.46</b>	<u>8075.30</u>
<b>TOTAL</b>		<b>55865.01</b>	<u>45084.59</u>

### SCHEDULE H CURRENT LIABILITIES AND PROVISIONS

<b>A) Current Liabilities</b>			
Sundry Creditors			
(a) Total outstanding dues of micro enterprises & small enterprises	<b>34.32</b>		6.05
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises	<b>19336.40</b>		12124.43
Investor Education and Protection Fund (appropriate amount shall be transferred to "Investor Education and Protection Fund" if and when due)			
a) Unpaid dividends	<b>26.47</b>		23.04
b) Unpaid matured deposits	<u>10.49</u>		<u>7.65</u>
	<b>36.96</b>		30.69
Other Liabilities	<b>4646.59</b>		2800.32
Interest accrued but not due on loans	<b>24.10</b>		27.41
Current Account : Director's [Max. Balance 0.44 lacs previous year Rs. 0.49 Lacs.]	<u>0.44</u>		<u>0.49</u>
		<b>24078.81</b>	<u>14989.39</u>
<b>B) Provisions</b>			
i) Provision for Gratuity	–		41.14
ii) Provision for Leave Encashment	<b>216.47</b>		186.47
iii) Provision for Sick Leave	<b>44.81</b>		45.92
iv) Provision for Fringe Benefit Tax	<b>135.50</b>		135.50
Less: Advance Payment of Fringe Benefit Tax	<u>134.14</u>		<u>131.80</u>
	<b>1.36</b>		<u>3.70</u>
		<b>262.64</b>	<u>277.23</u>
v) Proposed Dividend	<b>484.47</b>		411.80
Tax on Proposed Dividend	<u>82.34</u>		<u>69.99</u>
		<b>566.81</b>	<u>481.79</u>
<b>TOTAL</b>		<b>24908.26</b>	<u>15748.41</u>

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rs. Lacs	2009-10 Rs.Lacs	2008-09 Rs.Lacs
<b>SCHEDULE I</b>			
<b>INCOME FROM OPERATIONS</b>			
<b>Sales</b>	<b>8656.10</b>		7582.42
Less: Excise Duty	<u>650.21</u>		<u>557.49</u>
		<b>8005.89</b>	7024.93
<b>Stock Change</b>			
Closing Stock of Finished Goods	<b>902.83</b>		568.78
Opening Stock of Finished Goods	<u>568.78</u>		<u>562.66</u>
		<b>334.05</b>	6.12
<b>Work Bills(Gross)</b>	<b>50950.23</b>		51726.15
Add: Closing Stock of contract work-in-progress	<b>33820.54</b>		25546.17
Less: Opening Stock of contract work-in-progress	<u>25546.17</u>		17768.57
	<u>8274.37</u>		<u>7777.60</u>
		<b>59224.60</b>	59503.75
<b>TOTAL</b>		<b>67564.54</b>	66534.80

### SCHEDULE J

<b>OTHER OPERATING INCOME</b>			
Miscellaneous Income		<b>79.26</b>	102.08
Profit On Sale of Fixed Assets (Net)		<b>4.90</b>	3.63
Provisions no longer required		<b>85.63</b>	71.97
Interest on Tax Refund		<b>2.28</b>	122.85
(Tax deducted at source Rs.Nil Previous Year Rs.Nil )			
<b>TOTAL</b>		<u>172.07</u>	<u>300.53</u>

### SCHEDULE K

<b>OTHER INCOME</b>			
Dividend		<b>5.02</b>	2.18
Interest on Tax Saving Bonds		<b>1.13</b>	4.32
Profit On Sale of Investments (Net)		<b>30.60</b>	4.20
<b>TOTAL</b>		<u>36.75</u>	<u>10.70</u>



## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rs. Lacs	2009-10 Rs.Lacs	2008-09 Rs.Lacs
<b>SCHEDULE L</b>			
<b>CONSUMPTION OF RAW MATERIALS &amp; STORES</b>			
<b>Raw Materials Consumed</b>			
Opening Stock	1137.27		2441.07
Add : Purchases	<u>14046.02</u>		<u>19054.66</u>
		<b>15183.29</b>	<u>21495.73</u>
Less :			
Sales	113.18		478.69
Closing Stock	1351.17		1137.27
Sale of Scrap	<u>49.22</u>		<u>62.11</u>
		<u>1513.57</u>	<u>1678.07</u>
		<b>13669.72</b>	<u>19817.66</u>
<b>Stores and Spares Consumed</b>		<b>804.51</b>	<u>705.72</u>
<b>TOTAL</b>		<b>14474.23</b>	<u>20523.38</u>

### SCHEDULE M

#### MANUFACTURING AND OTHER EXPENSES

Fabrication Charges		790.29	1183.41
Lining and Outcoating Expenses		141.50	174.86
Power & Fuel		<u>329.26</u>	<u>305.03</u>
<b>TOTAL</b>		<b>1261.05</b>	<u>1663.30</u>

### SCHEDULE N

#### CONSTRUCTION EXPENSES

Subcontracting Expenses		28564.61	19139.89
Consumption of Boughtout Items			
Opening Stock	202.75		68.99
Add : Purchases	<u>5396.04</u>		<u>9740.12</u>
		<b>5598.79</b>	<u>9809.11</u>
Less :			
Sales	14.41		9.67
Closing Stock	<u>155.64</u>		<u>202.75</u>
		<u>170.05</u>	<u>212.42</u>
		<b>5428.74</b>	<u>9596.69</u>
Transport		<u>1701.20</u>	<u>1729.43</u>
<b>TOTAL</b>		<b>35694.55</b>	<u>30466.01</u>

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rs. Lacs	2009-10 Rs.Lacs	2008-09 Rs.Lacs
<b>SCHEDULE O</b>			
<b>EMPLOYEES' REMUNERATION AND WELFARE EXPENSES</b>			
a) Salary,Wages,Bonus,Commission & Gratuity Payment		<b>2949.70</b>	2550.87
b) Contribution to / Provision for Provident fund and Other Funds		<b>289.31</b>	289.91
c) Welfare Expenses		<b>107.13</b>	90.65
<b>TOTAL</b>		<b>3346.14</b>	2931.43

### SCHEDULE P

#### OFFICE AND SITE ESTABLISHMENT

a) Printing and Stationery		<b>64.96</b>	59.01
b) Communication Expenses		<b>89.80</b>	88.00
c) Travelling and Conveyance		<b>426.42</b>	465.14
d) Rent	<b>263.89</b>		242.93
Less : Recovery	<b>30.69</b>		28.64
		<b>233.20</b>	214.29
e) Rates and Taxes (Including Wealth Tax Rs.14 lacs Previous Year Rs.15 lacs)		<b>34.03</b>	38.55
f) Insurance		<b>211.40</b>	174.76
g) Repairs			
Machinery	<b>159.68</b>		152.02
Buildings	<b>67.75</b>		25.19
Others	<b>132.19</b>		82.43
		<b>359.62</b>	259.64
h) Guarantee & Other Bank Charges		<b>348.96</b>	360.40
i) Legal and Professional Charges		<b>189.60</b>	160.29
j) Directors' Sitting Fees		<b>4.50</b>	4.10
k) Commission to Non Executive Directors		<b>16.00</b>	10.00
l) Auditors' Remuneration			
Audit fees	<b>8.73</b>		8.73
Other Capacity	<b>4.80</b>		4.71
Certification & Consultation	<b>1.12</b>		1.72
Tax Audit Fees	<b>2.71</b>		2.71
Out of Pocket Expenses	<b>0.61</b>		0.65
Cost Audit fees	<b>0.90</b>		1.05
Out of Pocket Expenses	<b>0.08</b>		0.06
		<b>18.95</b>	19.63
m) Freight		<b>46.34</b>	43.79
n) Bad Debts Written Off		<b>3.67</b>	36.17
o) Donations		<b>60.00</b>	4.00
p) Miscellaneous Expenses		<b>354.15</b>	333.99
<b>TOTAL</b>		<b>2461.60</b>	2271.76



## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rs. Lacs	2009-10 Rs.Lacs	2008-09 Rs.Lacs
<b>SCHEDULE Q</b>			
<b>INTEREST</b>			
i) On			
a) Term Loans	1155.42		878.33
b) Non Convertible Secured Debentures	88.47		-
c) Fixed Deposits	70.86		76.08
d) Cash Credits & Others	461.75		793.96
	1776.50		1748.37
e) Less : Interest Received (Gross)	70.45		92.81
(Tax deducted at source Rs.7.19 lacs Previous year Rs.11.26 lacs)		1706.05	1655.56
ii) On			
Tax Provision and interest thereon for 'earlier years' (Refer Note No 16)		185.16	-
<b>TOTAL</b>		1891.21	1655.56



# NOTES TO THE ACCOUNT

## SCHEDULE 'R'

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO AND FORMING PART OF ACCOUNTS

#### I SIGNIFICANT ACCOUNTING POLICIES:

##### 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") issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Company Act, 1956.

##### 2 Revenue Recognition

###### A. Work Bills

###### (I) 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. Retention Monies on uncompleted Contracts are presented as Contract-Work-in-Progress.
- d. Sundry Debtors include work bills and work retention receivable on completed contracts.

###### (II) Construction Contracts which commenced on or after 1st April 1999

- a. Revenue arising therefrom 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.
- b. 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.
- c. 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.
- d. Provision is made for future losses and estimated costs of post-works maintenance and warranties as per contractual terms.

###### 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 Parts and Technical Knowhow.
- b. Revenue from such sales is recognised on despatches of goods from the factory.
- c. Sales are inclusive of excise duty.

##### 3 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.

##### 4 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.

##### 5 Accounting for Joint Venture Contracts

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

##### 6 Fixed Assets

- a. Fixed Assets are stated at cost including CENVAT wherever applicable, less depreciation and provision for impairment of losses, if any
- b. Self constructed/manufactured assets are capitalised at cost including appropriate overheads.



## NOTES TO THE ACCOUNT

### 7 Depreciation

Depreciation on the assets has been provided on Written Down Value Method on pro-rata basis as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

### 8 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.

### 9 Research and Development

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

### 10 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.

### 11 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 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.

### 12 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. Work-in-Progress represents work done against Long Term Construction Contracts commenced before 1st April 1999 and is valued at lower of cost or market value in case of inventories as per Accounting Standard 2 - Valuation of Inventories; application of this policy has been discontinued as detailed in Item 2 (A) of Significant Accounting Policies.
- e. Goods-in-process are valued at contract rates or cost whichever is lower.
- f. 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.

### 13 Employee Benefits

#### i) Voluntary Retirement Scheme Compensation

Compensation payable on Voluntary Retirement Scheme is amortized over a period of sixty months on pro-rata basis.

#### ii) Defined Contribution Plan

Company's Contribution paid/payable during the year to Provident Fund, ESIC and Labour Welfare Fund are charged to Profit & Loss Account. 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 the Profit & Loss A/c. There are no other obligations other than the contribution payable to the respective trusts.

#### iii) Defined Benefit Plan

**a. 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

## NOTES TO THE ACCOUNT

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.

**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.

iv) **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.

### 14 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.

### 15 Leases

Lease rentals in respect of assets acquired under operating lease are charged to Profit and Loss Account.

### 16 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.

### 17 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.

### 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.

## II NOTES TO AND FORMING PART OF ACCOUNTS

	2009-10 Rs.Lacs	2008-09 Rs.Lacs
<b>1 CONTINGENT LIABILITIES:</b>		
a) Guarantees given by the Banks	<b>15483.74</b>	12687.73
b) Claims against the company not acknowledged as debts	<b>121.03</b>	178.36
c) Additional Sales Tax demand excluding Rs.902.26 lacs (Previous year Rs.905.24 lacs) recoverable from customers for the years 1980-81 to 2009-10 under appeal.	<b>614.74</b>	322.12
d) Demands raised by Excise department excluding interest, if any, leviable thereon.	<b>2063.67</b>	2244.40
e) Additional Service Tax demand excluding those recoverable from customers for the Year 2004-05 under appeal.	<b>2150.90</b>	1889.17



## NOTES TO THE ACCOUNT

	2009-10 Rs.Lacs	2008-09 Rs.Lacs
2 Commitments for Capital Expenditure are estimated at	-	-
3 In respect of fraud at two factories reported in the last annual report following is the position in current year.		
a) Out of Rs.17.39 lacs, Rs.12.32 lacs has been recovered and for balance amount legal action has been initiated.		
b) As reported in the last report the misappropriated amount involved is Rs.44.82 lacs. The proceedings of the Criminal case is in progress on regular basis in court and accused employee is still in judicial custody. For recovery of aforesaid amount, civil suit proceedings are also in progress.		
<b>4 Managing Director's Remuneration</b>		
i) Salary	<b>46.50</b>	38.25
ii) Contribution to Provident Fund	<b>5.58</b>	4.59
iii) Contribution to Superannuation Fund	<b>6.97</b>	5.74
iv) Perquisites & Allowances	<b>33.47</b>	27.62
v) Commission	<b>173.28</b>	100.18
<b>Total</b>	<b>265.80</b>	176.38
Statement of computation of net profit under Section 349 of Companies Act 1956 and the commission payable to the Managing Director for the year ending 31.03.2010.		
Profit after exceptional items as per Profit & Loss A/c	<b>2857.30</b>	2530.89
Add: Provision for Taxation	<b>1798.00</b>	1209.00
Depreciation	<b>671.70</b>	491.30
Directors Fees	<b>4.50</b>	4.10
Commission to Non Executive Directors	<b>16.00</b>	10.00
Managing Director's Remuneration	<b>265.80</b>	176.38
	<b>5613.30</b>	4421.67
Add / (Less): Income Tax Provision/(Refund) of Earlier Years	<b>405.24</b>	(398.53)
	<b>6018.54</b>	4023.14
Less: Revenue Surplus	<b>4.90</b>	3.63
Profit on sale of Investments	<b>30.91</b>	4.65
	<b>5982.73</b>	4014.86
Add: Revenue Profit on sale of assets as computed U/s 350 of Companies Act, 1956.	<b>4.90</b>	3.63
Loss on sale of Investment	-	0.41
	<b>5987.63</b>	4018.90
Less: Depreciation U/s 350	<b>671.70</b>	491.30
Profit U/s 349 & 350	<b>5315.93</b>	3527.60
Remuneration Payable U/s 198 @5%	<b>265.80</b>	176.38
Remuneration already paid	<b>92.52</b>	76.20
Balance amount payable	<b>173.28</b>	100.18

## NOTES TO THE ACCOUNT

	Rs. In Lacs 2009-10		Rs. In Lacs 2008-09	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>5 Employee Benefits:</b> Defined Benefit Plans/Long Term compensated absences - As per Actuarial valuation as on 31.03.2010.				
<b>I Expense recognised in the statement of Profit &amp; Loss Account for the year ended 31st March, 2010.</b>				
1 Current Service Cost	37.26	54.07	31.97	61.83
2 Interest Cost	56.74	7.96	49.31	10.59
3 Employee Contributions	-	-	-	-
4 Expected return on plan assets	(64.93)	-	57.90	-
5 Actuarial (Gains)/Losses	20.67	(65.04)	48.57	(70.68)
6 Past Service Cost	-	-	-	-
7 Settlement Cost	-	-	-	-
8 Total Expenses	49.74	(3.01)	71.95	1.74
<b>II Net Assets / (Liability) recognised in the balance sheet as at 31.03.2010.</b>				
1 Present Value of Defined Benefit Obligation	709.33	131.21	709.35	(186.33)
2 Fair Value of Plan Assets	748.88	-	680.61	-
3 Funded Status [Surplus/(Deficit)]	(37.32)	(93.29)	(28.71)	(186.33)
4 Net Asset/(Liability)	(37.32)	(93.29)	(28.71)	(186.33)
<b>III Change in Obligation during the year ended March 31, 2010.</b>				
1 Present value of Defined Benefit Obligation at the beginning of year	709.35	131.21	616.42	135.35
2 Current Service Cost	37.25	54.07	31.97	116.95
3 Interest Cost	56.74	7.96	49.31	10.59
4 Settlement Cost	-	-	-	-
5 Past Service Cost	-	-	-	-
6 Employee Contributions	-	-	-	-
7 Actuarial (Gains) / Losses	20.68	(65.04)	48.57	(70.68)
8 Benefits Payment	(37.82)	(34.91)	36.94	(5.88)
9 Present value of Defined Benefit Obligation at the end of year	786.20	93.29	709.33	186.33
<b>IV Change in Assets during the year ended March 31, 2010.</b>				
1 Plan Assets at beginning of the year	680.63	-	558.19	-
2 Settlements	-	-	-	-
3 Expected return on Plan Assets	64.93	-	57.90	-
4 Contribution by Employers	41.14	(34.91)	101.46	5.88
5 Actual benefits paid	(37.82)	(34.91)	36.94	(5.88)
6 Actuarial Gains/(Losses)	-	-	-	-
7 Plan Assets at end of the year	748.88	-	680.61	-
8 Actual return on plan assets	-	-	-	-



## NOTES TO THE ACCOUNT

	Rs. In Lacs 2009-10		Rs. In Lacs 2008-09	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>V Actuarial Assumptions</b>				
1 Discount Rate	8.00%	7.00%	8.00%	7.00%
2 Expected Rate of Return on plan assets	9.00%	N.A.	9.00%	N.A.
3 Mortality Pre-retirement	(1994-96) std	(1994-96) ult	(1994-96) std	(1994-96) ult
4 Mortality Post-retirement	N.A.	N.A.	N.A.	N.A.
5 Turnover Rate	N.A.	0.50%	N.A.	0.50%
6 Medical Premium Inflation	N.A.	N.A.	N.A.	N.A.

6 Expenses on Research & Development during the year included under various heads, amounts to Rs.196.49 lacs (Previous year Rs.182.88 lacs).

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

8 The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act 2006, as at 31st March, 2010. The disclosure pursuant to the said Act is as under:

Principal amount due to suppliers under MSMED Act (Rs. In lacs)	34.32
Interest accrued and due to suppliers under MSMED Act on the above amount	Nil
Payment made to suppliers (other than interest) beyond appointed day during the year.	Nil
Interest paid to suppliers under MSMED Act	Nil
Interest due and payable to suppliers under MSMED Act towards payments already made	Nil
Interest accrued and remaining unpaid at the end of the accounting year.	Nil

Note: This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

9 Details of Deferred Tax Assets/Liabilities:

	2009-10 Rs.Lacs	2008-09 Rs.Lacs
<b>Deferred Tax Liabilities:</b>		
Difference in block of fixed assets	145.88	120.29
	<b>145.88</b>	120.29
<b>Deferred Tax Assets</b>		
Fiscal Disallowances and others	213.00	207.41
Provision for doubtful debts	8.68	8.68
	<b>221.68</b>	216.09
<b>Closing Balance [(Assets) / Liability]</b>	<b>(75.80)</b>	(95.80)

10 Additional information required under Schedule VI to the Companies Act, 1956 (as certified by the Managing Director).

### A Licensed/Installed Capacities:

		Licensed		Installed (Annual)	
		2009-10	2008-09	2009-10	2008-09
<b>1 Construction Division</b>					
i) Concrete Pipes	MT	N.A.	N.A.	447709	418567
ii) Steel Pipes, Specials & Structures	MT	N.A.	N.A.	277696	233892
<b>2 Others</b>					
i) Sleepers	MT	N.A.	N.A.	57660	57660
ii) Air Rifle Divsn					
a. CO2 Cadet Rifles, Guns & Pistols	Nos	N.A.	N.A.	10000	10000
b. Air Rifles, Air Guns & Pistols	Nos	N.A.	N.A.	12000	12000



## NOTES TO THE ACCOUNT

### B Production, Opening & Closing Stock:

		Production		Opening Stock		Closing Stock		
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	
<b>1</b>	<b>Construction Division</b>							
i)	Concrete Pipes	MT	221908	199684	18824	15501	20587	18824
ii)	Steel Pipes, Specials & Structures	MT	79856	92173	5401	6030	4824	5401
<b>2</b>	<b>Others</b>							
i)	Sleepers	MT	39378	18824	2502	4222	10489	2502
ii)	Air Rifle	Nos	7304	6508	211	379	138	211

### C Work Bills/Sales Turnover showing aggregate amount of sales effected by the Company giving the amount of sales in respect of each class of goods dealt with and against services rendered.

		2009-10		2008-09		
		Qty.	Rs. Lacs	Qty.	Rs. Lacs	
<b>1</b>	<b>Construction Division</b>					
i)	Construction contracts including water supply schemes, Pipes supply & laying projects.	MT	300578	57205.62	289163	57577.62
ii)	Jobs		–	7.61	–	35.28
<b>2</b>	<b>Others</b>					
i)	Sleepers	MT	31391	1576.30	20544	984.27
ii)	Air Rifles & Pistols	Nos	7377	166.59	6676	135.88
<b>3</b>	<b>Export of Goods</b>		–	–	–	18.03
			<u>58956.12</u>		<u>58751.08</u>	

### D Consumption

#### 1 Construction Division

i)	Sand & Metal	MT	220207	1078.80	203349	883.43
ii)	Cement	MT	65878	2513.49	62177	2501.70
iii)	Wire & Rods & HT Wire	MT	8672	3282.60	9196	4478.75
iv)	Steel Plates & Sheets*					
a)	Company's own plates	MT	14612	4966.77	23089	10977.10
b)	Plates supplied by Parties	MT	–	–	–	–
	(*Valued at agreed rates)					
v)	Other Raw Materials & Components		–	377.84	–	235.28

#### 2 Sleepers

i)	Sand & Metal	MT	32126	167.00	14934	43.72
ii)	Cement	MT	7427	383.45	3529	178.80
iii)	Wire & Rods & HT Wire	MT	1318	496.09	632	266.79
iv)	Other Raw Materials		–	352.97	–	199.98



## NOTES TO THE ACCOUNT

			2009-10		2008-09	
			Qty.	Rs. Lacs	Qty.	Rs. Lacs
<b>3</b>	<b>Air Rifle Division</b>					
	i) Wood	CFT	2101	13.81	1988	13.03
	ii) Seamless Steel Tubes	MTR	3439	6.03	3333	6.03
	iii) Other Raw Materials			30.87		33.05
				<u>13669.72</u>		<u>19817.66</u>
<b>E</b>	<b>Value of Import on C I F Basis</b>					
	Raw Materials			170.10		–
	Stores & Spares			–		–
	Capital Goods			–		–
<b>F</b>	<b>Expenditure in foreign currencies</b>					
	Travelling & Other expenses			4.94		2.88
<b>G</b>	<b>Earnings in Foreign Currencies</b>					
	Export of goods calculated on F O B Basis			–		17.31
			<b>Rs. Lacs</b>	<b>%</b>	<b>Rs.Lacs</b>	<b>%</b>
<b>H</b>	<b>Value of Raw Materials Consumed</b>					
	Indigenous		13513.00	100.00	19817.66	100.00
	Imported		156.72	–	–	–
			<u>13669.72</u>	<u>100.00</u>	<u>19817.66</u>	<u>100.00</u>
<b>I</b>	<b>Value of Stores &amp; Spares Consumed</b>					
	Indigenous		804.51	99.99	705.68	99.99
	Imported		–	0.01	0.04	0.01
			<u>804.51</u>	<u>100.00</u>	<u>705.72</u>	<u>100.00</u>

11 During the year ended 31.03.2010, the company acquired and sold the following investments in Mutual Funds.

MUTUAL FUNDS - SHORT TERM PLANS	Face Value Each Rs	No. of Units	Purchase Cost Rs. in lacs
HDFC Cash Management Treasury Advantage Plan Wholesale Daily Dividend Reinvestment	10.03	24445156.20	2452.22

12 Earnings Per Share

		31.03.10	31.03.09
Number of shares		4844717	4844717
Profit after Tax before prior years' income	Rs.Lacs	3262.54	2132.36
EPS - Basic & Diluted	Rs.	67.34	44.01
Profit after Tax after prior years' income	Rs.Lacs	2857.30	2530.89
EPS - Basic & Diluted	Rs.	58.98	52.24

## NOTES TO THE ACCOUNT

### 13 Segment Reporting Segment Information for the year ended 31st March, 2010 Information about Primary Segment

(Rs. In Lacs)

	Construction contracts including water supply schemes, pipes supply & laying projects.		Others		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
<b>REVENUE</b>						
External Revenue	57213.26	57630.93	1742.86	1120.15	58956.12	58751.08
<b>RESULTS</b>						
Segment results	9361.51	6596.98	283.77	78.88	9645.28	6675.88
Unallocated Expenditure net of unallocated income					(2737.46)	(1816.14)
<b>Operating Profit</b>					6907.82	4859.74
Interest Expenses					(1891.21)	(1655.56)
Interest/dividend income net of loss on sale of investment					8.43	129.35
Profit on sale of Fixed Assets & Investments					35.50	7.83
Taxation for the year (including deferred tax/provision for taxation- earlier years)					(1798.00)	(1209.00)
Income Tax Refund for earlier year					(405.24)	398.53
<b>Profit after taxation but before exceptional item</b>					2857.30	2530.89
Profit on sale of development rights/land					-	-
<b>Net Profit</b>					2857.30	2530.89
<b>OTHER INFORMATION</b>						
Segment Assets	59580.81	47087.24	1280.43	687.23	60861.24	47774.47
Unallocated Corporate Assets					3358.06	3330.03
<b>TOTAL ASSETS</b>					64219.30	51104.50
Segment Liabilities	25698.14	16240.20	474.10	89.01	26172.24	16329.21
Unallocated Corporate Liabilities					19265.22	18283.94
<b>TOTAL LIABILITIES</b>					45437.46	34613.15
<b>Capital Expenditure</b>						
For Segment	1480.85	1675.29	18.10	5.11	1498.95	1680.40
For Corporate					44.16	248.57
<b>Total Capital Expenditure</b>					1543.11	1928.97
<b>Depreciation - Segment</b>						
For Segment	551.18	373.29	10.87	12.84	562.31	386.13
For Corporate					109.41	105.17
<b>Total Depreciation</b>					671.72	491.30
Non Cash Expenses other than depreciation					-	-

#### 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 Technical Know How.

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

- The nature of products & service
- 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 THE ACCOUNT

### 14 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 (Chairman & Managing Director)	:	Key Management Personnel
iv)	Mrs. Jyoti R. Doshi (Director) Mr. Aditya R. Doshi Mr. Mayur R. Doshi (Executive)	:	Relatives of Key Management Personnel
v)	Mobile Systems India Pvt. Ltd. Raj Jyoti Trading & Investment Pvt. Ltd.	:	Companies in which control exists directly/ indirectly
vi)	Walchand Foundation Ratanchand Foundation (Formed U/s 25 of the Companies Act, 1956)	:	Other Related Party

#### B. Nature of Transactions

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

(Rs 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	7.41 (6.11)	271.44 (223.54)	3.60 (2.97)	5.47 (4.51)	- (-)
2	Rent and Other Related Expenses	- (-)	106.88 (93.32)	- (-)	- (-)	- (-)
3	Sitting Fees	- (-)	- (-)	- (-)	0.40 (0.40)	- (-)
4	Salary & Perquisites	- (-)	- (-)	- (-)	10.81 (7.01)	- (-)
5	Remuneration	- (-)	- (-)	265.80 (176.38)	- (-)	- (-)
6	Amount outstanding payable as on 31.03.10	- (-)	0.59 (0.80)	0.44 (0.49)	- (-)	- (-)
7	Donation					50.00 (-)

(Last year's figures are shown in brackets)

Salary and Perquisites include (Item No.4) an amount of Rs.1.48 lacs paid to Mr.Mayur R. Doshi (General Manager) on account of differential salary from August 2008 to October 2009 as per approval received from Central Government vide their letter dated 27th October, 2009.

## NOTES TO THE ACCOUNT

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

#### I M/s.Koya & Company Construction Pvt. Ltd.,(JV), Hyderabad

Augmentation & Water Supply to Hyderabad Metropolitan area from River Krishna through SLB (Madhava Reddy Canal) for the PACKAGE-1, Manufacturing, supplying, lowering, testing and commissioning of 2200 diameter MS Pumping Main with in lining and out-coating with Cement Mortar from WTP at Kodandpur to the Clear Water Reservoir at Nasaralappally.

The co-ventures and their shares are as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Koya & Company Construction Pvt. Ltd.	2475.09	28.00%	2475.09	28.00%
The Indian Hume Pipe Co.Ltd.	2121.52	24.00%	2121.52	24.00%
Bhooratnam & Co.	2121.52	24.00%	2121.52	24.00%
Tahir Ali Industries & Projects (P) Ltd.	2121.52	24.00%	2121.52	24.00%
<b>TOTAL</b>	<b>8839.65</b>	<b>100.00%</b>	<b>8839.65</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:

Contingent Liabilities for the Company in relation to its share	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	Nil
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

#### II M/s.Bhoorathnam Construction Co. (P) Ltd.

Augmentation & Water Supply to Hyderabad Metropolitan area from River Krishna through SLB (Madhava Reddy Canal) for PACKAGE-II, Manufacturing, supplying, lowering, testing and commissioning of 2200mm diameter MS Pumping Main with inlining and out-coating with Cement Mortar from Clear Water Reservoir at Godakondla along Nagarjunasagar - Hyderabad Road from Km 82/2 to Km 59/6.

The co-ventures and their shares are as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Koya & Company Construction Pvt. Ltd.	1432.21	24.00%	1432.21	28.00%
The Indian Hume Pipe Co.Ltd.	1432.21	24.00%	1432.21	24.00%
Bhooratnam Construction Co. (P) Ltd	1670.91	28.00%	1670.91	24.00%
Tahir Ali Industries & Projects (P) Ltd.	1432.21	24.00%	1432.21	24.00%
<b>TOTAL</b>	<b>5967.54</b>	<b>100.00%</b>	<b>5967.54</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:

Contingent Liabilities for the Company in relation to its share	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	547.58
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### III M/s. The Indian Hume Pipe Co. Ltd.

Combined water supply scheme to Bellampally and Mandamarry under HUDCO Phase-III consisting of (1) Construction of 9.00 m dia intake well cum pump house 1 No (2) 600mm dia D.I.D/F Connecting main (3) 6 Nos. of 3.00 M dia infiltration wells (4) 600mm dia RCC NP3 class pipes infiltration gallery 250m long (5) Providing 500mm dia PSC field test pressure of 10 KSC main for common sump at Municipal office (6) Providing 500mm dia PSC field test pressure of 12 KSC pumping main from common sump at Municipal office Mandamarry to Junction Point in Bellampally (Package I)

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	205.26	52.13%	205.26	52.13%
Pochampad Cement Pipe Construction Co.	188.50	47.87%	188.50	47.87%
<b>TOTAL</b>	<b>393.76</b>	<b>100.00%</b>	<b>393.76</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:

Contingent Liabilities for the Company in relation to its share	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	Nil
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### IV M/s. The Indian Hume Pipe Co. Ltd. (JV with M/s.Bhooratnam Construction Co. (P) Ltd.)

Manufacturing, supply, laying, jointing, testing and commissioning of 1200mm dia MS Pipeline from Hafeez Baba Nagar, Chandrayangutta to Jahanuma Reservoir Premises - Package I

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	426.35	55.00%	426.35	55.00%
Bhooratnam Construction Co. (P) Ltd	348.84	45.00%	348.84	45.00%
<b>TOTAL</b>	<b>775.19</b>	<b>100.00%</b>	<b>775.19</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

Contingent Liabilities for the Company in relation to its share	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	Nil
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### V M/s.KCCPL-IHP-BRC-TAIPPL-KBL

Construction of Pump House, Hydro Mechanical Works and Electro Mechanical works of Guthpa Lift Irrigation Scheme, to Lift 540 cusecs of water from river Godavari at Ummeda (V), Nandipet (M) and to deliver into Nizam Sagar Project Main Canal and D/74 on EPC Turnkey Basis System.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Koya & Company Construction (P) Ltd	2707.60	18.57%	2707.60	18.60%
The Indian Hume Pipe Co.Ltd.	2707.60	18.57%	2707.60	18.60%
Bhooratnam Construction Co. (P) Ltd	2707.60	18.57%	2707.60	18.60%
Taher Ali Industries & Projects (P) Ltd	2707.60	18.57%	2707.60	18.60%
Kirloskar Brothers Ltd.	3750.00	25.71%	3750.00	25.60%
<b>TOTAL</b>	<b>14580.40</b>	<b>100.00%</b>	<b>14580.40</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	272.37	272.37
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### VI M/s.Nagarjuna Construction Co. Ltd.(JV) Hyderabad

Design, Supply, Installation, Testing & Commissioning of pumping machinery, transformer sub-station raising mains including construction of pump house and delivery cistern etc. of Tadipudi Lift Irrigation Scheme 2nd Pump House at KM 26.25 of A G R B Near Tadipudi (V) of Tadipudi (M) West Godavari District.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Nagarjuna Construction Co. Ltd.	1232.42	40.00%	1232.42	40.00%
Mather & Platt Pumps Ltd	308.10	10.00%	308.10	10.00%
SMC Infrastructure Pvt. Ltd.	770.27	25.00%	770.27	25.00%
The Indian Hume Pipe Co.Ltd.	770.27	25.00%	770.27	25.00%
<b>TOTAL</b>	<b>3081.06</b>	<b>100.00%</b>	<b>3081.06</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	Nil	60.00
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### VII M/s. The Indian Hume Pipe Co. Ltd.

Construction and commissioning on turnkey basis including one year maintenance of Soganur Lift Irrigation M I Scheme on right bank of Tungabadra river with 2 stage pumping including construction of storage tank near Chinnakohiliki (V) Yemmiganur (M) Kurnool District.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	1197.49	78.00%	1197.49	78.00%
Kirloskar Brothers Ltd	307.05	20.00%	307.05	20.00%
Megha Engineering Enterprises	30.70	2.00%	30.70	2.00%
<b>TOTAL</b>	<b>1535.24</b>	<b>100.00%</b>	<b>1535.24</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	35.28	35.28
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### VIII M/s. The Indian Hume Pipe Co. Ltd.

Construction and commissioning on turnkey basis including one year maintenance of Pulchintha Lift Irrigation M I Scheme on right bank of Tungabadra river with 2 stage pumping including construction of storage tank near Pulchintha (V) Nandavaram (M) Kurnool District.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	879.47	72.00%	879.47	72.00%
Kirloskar Brothers Ltd	305.37	25.00%	305.37	25.00%
Megha Engineering Enterprises	36.65	3.00%	36.65	3.00%
<b>TOTAL</b>	<b>1221.49</b>	<b>100.00%</b>	<b>1221.49</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	27.89	27.89
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

## NOTES TO THE ACCOUNT

### IX M/s.TAIPPL-IHP-KCCPL-BRCPL (JV)

Krishna Drinking Water Supply Project Phase II - Manufacturing, Supplying, Delivering, lowering, laying, jointing, testing and commissioning of 2375mm dia MS pumping main with cement mortar factory in-lining and out-coating from CWR at Nasarlappally to CWR at Goddkondla (along Nagarjunasagar-Hyderabad road from 82/2 Km to 59/6 Km including manning and operation for a period of 24 months (Package II).

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Taher Ali Industries & Projects (P) Ltd.	3461.00	28.00%	3461.00	28.00%
The Indian Hume Pipe Co.Ltd.	2967.00	24.00%	2967.00	24.00%
Koya and Construction Pvt. Ltd.	2967.00	24.00%	2967.00	24.00%
Bhooratnam Construction Pvt. Ltd.	2967.00	24.00%	2967.00	24.00%
<b>TOTAL</b>	<b>12362.00</b>	<b>100.00%</b>	<b>12362.00</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	16.27
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### X M/s.IHP-KCCPL-BRCPL-TAIPPL (JV)

Manufacturing, Supplying, delivering, lowering, laying, jointing, testing and commissioning of 2200mm dia MS Gravity main with cement mortar factory inlining and out-coating from MBT at Gungal to TBR at Saheb Nagar (along Nagarjunasagar-Hyderabad road from Km 40/2 to 10/2 Km including manning and operation for a period of 24 months (Package IV).

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	4284.00	28.00%	4284.00	28.00%
Koya and Construction Pvt. Ltd.	3671.00	24.00%	3671.00	24.00%
Bhooratnam Construction Pvt. Ltd.	3671.00	24.00%	3671.00	24.00%
Taher Ali Industries & Projects (P) Ltd.	3671.00	24.00%	3671.00	24.00%
<b>TOTAL</b>	<b>15297.00</b>	<b>100.00%</b>	<b>15297.00</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	165.00
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### XI M/s.Shradha IHP Joint Venture

Padmalaya Lift Irrigation Scheme: Designing, planning, construction of Dam at Padmalaya-II, Taluka Erandol, Dist. Jalgaon alongwith or appurtenant works & designing, planning and construction of intake well, connecting pipeline, jackwell pumphouse, sumpwell, manufacturing and installation of pumping machinery, necessary electrical accessories, electrical service station including rising main and commissioning it for shree Padmalaya Sinchan Yojana of Taluka Erandole, Dist. Jalgaon on Turnkey basis.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Shradha Construction & Power Generation Pvt. Ltd.	4840.80	80.00%	4840.80	80.00%
The Indian Hume Pipe Co.Ltd.	1210.20	20.00%	1210.20	20.00%
<b>TOTAL</b>	<b>6051.00</b>	<b>100.00%</b>	<b>6051.00</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows: Contingent Liabilities for the Company in relation to its share	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	Nil
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### XII M/s.Shradha IHP Joint Ventures

Construction of Wangana Lift Irrigation Schemes on Dhom Left Bank Canal in KM No.53 Village Peth Kinhai, Taluka Koregaon, Dist. Satara under Krishna Project Stage II on Turnkey basis including Surveying, Designing, Construction of Pump house, rising mains, gravity mains, delivery chambers, distribution systems providing, erecting and commissioning pumping machinery including all civil, mechanical and electrical works and running and maintenance of scheme for Maharashtra Krishna Valley Development Corporation.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Shradha Construction & Power Generation Pvt. Ltd.	4170.00	70.00%	4170.00	70.00%
The Indian Hume Pipe Co.Ltd.	1787.14	30.00%	1787.14	30.00%
<b>TOTAL</b>	<b>5957.14</b>	<b>100.00%</b>	<b>5957.14</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows: Contingent Liabilities for the Company in relation to its share	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	Nil	Nil
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

## NOTES TO THE ACCOUNT

### XIII M/s.BRCPL IHP Vishwa Joint Ventures

Manufacturing, supply, lowering, laying, jointing, testing and commissioning of Duplicate South intercepting Sewer Main (Dup-Sis) with 2000 mm dia RCC NP4 class pipes using sulphate resistance, cement from Saroornagar Nalah I & D site to proposed STP at Nagole along river Musi (Dup SIS Main-Package 3)

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Bhooratnam Construction Pvt. Ltd.	804.18	34.00%	804.18	34.00%
The Indian Hume Pipe Co.Ltd.	780.54	33.00%	780.54	33.00%
Vishva Infrastructures & Services Pvt.Ltd.	780.54	33.00%	780.54	33.00%
<b>TOTAL</b>	<b>2365.26</b>	<b>100.00%</b>	<b>2365.26</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	20.00	20.00
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### XIV M/s.IHP BRCPL Vishwa (JV)

Manufacturing, supply, lowering, laying, jointing, testing and commissioning of Duplicate South intercepting Sewer Main (Dup-SIS) with 1800 mm dia RCC NP4 class pipes using sulphate resistant cement from Chaderghat bridge to Saroornagar Nalah I & D site along river Musi (Dup SIS Main-Package 2)

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	394.26	34.00%	394.26	34.00%
Bhooratnam Construction Pvt. Ltd.	382.66	33.00%	382.66	33.00%
Vishva Infrastructures & Services Pvt.Ltd.	382.66	33.00%	382.66	33.00%
<b>TOTAL</b>	<b>1159.58</b>	<b>100.00%</b>	<b>1159.58</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	Nil	20.81
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### XV M/s. The Indian Hume Pipe Co. Ltd.

Manufacturing, supply, lowering, laying, jointing, testing and commissioning of 900mm dia Mild Steel Pumping Main with inlining and out-coating with cement mortar from Town Service Reservoir to Kommadi Junction under Greater Vishakhapatnam Water Supply Improvement Scheme.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	1102.30	52.00%	1102.30	52.00%
Vishwa Infrastructures & Services Pvt. Ltd.	1017.51	48.00%	1017.51	48.00%
<b>TOTAL</b>	<b>2119.81</b>	<b>100.00%</b>	<b>2119.81</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	30.00	30.00
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### XVI M/s. The Indian Hume Pipe Co. Ltd., JV with Ch.V.V.Subba Rao

Augmentation of drinking water supply to Gajuwaka Area in Vishakhapatnam under submission on Urban Infrastructure and Governance under Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	3222.36	96.00%	3222.36	96.00%
Ch.V.V.Subba Rao	134.26	4.00%	134.26	4.00%
<b>TOTAL</b>	<b>3356.62</b>	<b>100.00%</b>	<b>3356.62</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:  
Contingent Liabilities for the Company in relation to its share

	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Bank Guarantees (included in II -1- a)	84.00	84.00
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### XVII NCC-MEIL-IHP (JV)

Construction of Jack well, providing MS Raw Water conduit to earthen bund of Dharmasagar Reservoir by Tunnelling and Jacking, MS/NBWSC Raw Water Gravity Mains, DI/BWSC Pumping Mains and Railway Crossing arrangements, Additional off take arrangements on Kaktiya Canal, Raw Water Pump House and Clear Water Pump House alongwith Pump sets, Water Treatment Plants at three locations, Raw Water Sumps and Clear Water Sumps, RCC ELSR's and DI & HDPE distribution lines in Warangal Municipal Corporation.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
Nagarjuna Construction Co. Ltd.	9270.06	50.00%	9270.06	50.00%
Megha Engineering & Infrastructure Ltd.	6489.04	35.00%	6489.04	35.00%
The Indian Hume Pipe Co.Ltd.	2781.02	15.00%	2781.02	15.00%
<b>TOTAL</b>	<b>18540.12</b>	<b>100.00%</b>	<b>18540.12</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	70.00	70.00
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### XVIII IHP-Vishva-MCC (JV)

Rehabilitation, strengthening and improvement of Sewerage System in old city area on South of Musi in S11 catchment Zone II by laying mains, sub-mains, laterals and transfer of house service connections including manufacturing, supply of 150mm/200mm/300mm dia SWG pipes and 50mm/400mm/450mm/500mm/600mm/700mm/800mm/900mm/ 1100mm/ 1200mm/1400mm dia RCC NP3 pipes with SR cement including lowering, laying, jointing, testing and commissioning of sewers or turnkey bails under JNNURM Package II.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	5763.25	48.00%	5763.25	48.00%
Vishva Infrastructures & Services Pvt. Ltd.	5643.18	47.00%	5643.18	47.00%
Modern Construction	600.33	5.00%	600.33	5.00%
<b>TOTAL</b>	<b>12006.76</b>	<b>100.00%</b>	<b>12006.76</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	150.08	150.08
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil



## NOTES TO THE ACCOUNT

### XIX IHP-MEIL-KCCPL-BRCPL-TAIPPL (JV)

Manufacturing, supplying, lowering, laying, jointing, testing and commissioning of 2200mm dia MS Pumping Main with cement mortar factory inlining and out-coating and other appurtenances from proposed intake well near Old Madhavaram on foreshore of Somasila Reservoir to the proposed sump at Kanumalonipalli (On Kadappa-Rajampet Highway) including Manning & Operation for a period of 24 months (defect liability period) - Package I.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	7486.84	28.00%	7486.84	28.00%
Megha Engineering & Infrastructures Ltd	7219.45	27.00%	7219.45	27.00%
Koya & Construction Co. Pvt. Ltd.	4010.81	15.00%	4010.81	15.00%
Bhooratnam Construction Pvt. Ltd.	4010.81	15.00%	4010.81	15.00%
Taher Ali Industries Projects (P) Ltd.	4010.80	15.00%	4010.80	15.00%
<b>TOTAL</b>	<b>26738.71</b>	<b>100.00%</b>	<b>26738.71</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	187.18	187.18
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

### XX IHP-FPL (JV)

Survey, Investigation, Designs, Drawings, Estimation, Construction and commissioning on Turnkey basis including maintenance for 15 years (including 2 years liability period) of Pulikanuma LI Scheme on right bank of 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)33/11 KV Sub Stations (d)H T Power Lines (e) Pressure Mains (f) Cisterns (g)Reservoir /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 270.00etc. Complete.

The co-venturers and their shares as follows:

Name of the Co-Venturers	Share in Work execution			
	31.03.10		31.03.09	
	Amount Rs. Lacs	%	Amount Rs. Lacs	%
The Indian Hume Pipe Co.Ltd.	22626.53	86.00%	22626.53	86.00%
Flow More Pump Ltd.	3683.39	14.00%	3683.39	14.00%
<b>TOTAL</b>	<b>26309.92</b>	<b>100.00%</b>	<b>26309.92</b>	<b>100.00%</b>

The disclosures as required under AS-27 are as follows:	31.03.10 Rs.Lacs	31.03.09 Rs.Lacs
Contingent Liabilities for the Company in relation to its share		
Bank Guarantees (included in II -1- a)	657.75	657.75
Share in the contingent liabilities of co-ventures	Nil	Nil
Capital Commitments	Nil	Nil
Share in the Capital commitment of co-ventures	Nil	Nil

## NOTES TO THE ACCOUNT

- 16 During the financial year 2008-09, the Company's claim U/s 80IA of the Income Tax Act 1961 pertaining to F.Y.2002-03 was allowed by the Income Tax Appellate Tribunal Mumbai, as a result the Company had taken credit for tax refund of Rs.398.53 lacs and interest of Rs.122.85 lacs. The Income Tax (IT) dept. preferred an appeal against this order before the Hon'ble High Court, Mumbai. As a matter of abundant caution, the Company had created "General Reserve No.II" equivalent to Income Tax Refund. The Finance Act 2009 retrospectively amended Section 80IA to withdraw relief under this section. Hence, the Company has made provision during March 2010 quarter of Rs.397.89 lacs towards tax refund which has been shown under Prior Years' Adjustment - Provision for Taxation of Earlier Years and interest thereon of Rs.185.16 lacs. Consequently the amount of Rs.400.00 lacs previously apportioned to "General Reserve II" has been transferred to the Profit & Loss A/c.
- 17 Figures for Previous Year have been regrouped, wherever necessary.

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### Signatures to Schedules A to R

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: 26th May, 2010

RAJAS R. DOSHI Chairman & Managing Director

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

}  
Directors

S M MANDKE

Company Secretary

Mumbai: 26th May, 2010



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration Details

Registration No. 0 0 1 2 5 5

State Code 1 1

Balance Sheet Date

3 1 0 3 2 0 1 0  
Date Month Year

### II. Capital Raised during the year (Rs. Thousands)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

### III. Position of Mobilisation and Deployment of Funds (Rs. Thousands)

Total Liabilities

6 4 2 1 9 3 0

Total Assets

6 4 2 1 9 3 0

#### Sources of Funds

Paid-up Capital

4 8 4 4 7

Reserves & Surplus

1 8 2 9 7 3 7

Secured Loans

1 0 8 7 1 5 4

Unsecured Loans

9 6 5 7 6 6

#### Application of Funds

Net Fixed Assets

6 5 2 8 7 7

Investments

1 7 4 9 7 2

Net Current Assets

3 0 9 5 6 7 5

Misc. Expenditure

N I L

Accumulated Losses

N I L

Deferred Tax Assets (Net)

7 5 8 0

### IV. Performance of the Company (Rs. Thousands)

Turnover

6 7 5 6 4 5 4

Other Income

2 0 8 8 2

Total Expenditure

6 2 7 1 2 8 2

Profit/(Loss) Before Tax

5 0 6 0 5 4

Profit/(Loss) After Tax

2 8 5 7 3 0

Earning per share in Rs.

5 8 . 9 8

Dividend Rate %

1 0 0

### V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code) 6 8 1 0 . 9 9 . 9 0

Product Description C O N C R E T E P I P E S S L E E P E R S

Item Code No. (ITC Code) 7 3 0 5 . 9 0 . 1 0

Product Description S T E E L P I P E S

Item Code No. (ITC Code) 9 3 0 4 . 0 0 . 0 0

Product Description A I R R I F L E S

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

		2010 (Rs. in Lacs)	2009 (Rs. in Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit Before Tax and Extraordinary Items		5060.54	3341.36
Adjustments for :			
Rent against fixed assets & Lease Rentals		0.02	0.02
Depreciation		671.70	491.30
Interest Expenses		1776.50	1748.37
Interest Income		(73.86)	(219.98)
Dividend Income		(5.02)	(2.18)
Profit on sale of fixed assets/Investments		(35.50)	(7.83)
Operating profit before working capital changes	I	7394.38	5351.06
Adjustments for:			
Trade and Other Receivables		192.67	(4063.92)
Inventories		(11016.13)	(7037.22)
Trade and other Payables		9080.48	3932.52
	II	(1742.98)	(7168.62)
Cash Generated from Operations	(I+II)	5651.40	(1817.56)
Direct Taxes Paid		(2014.97)	(900.06)
<b>Net Cash from Operating Activities</b>	<b>[A]</b>	<b>3636.43</b>	<b>(2717.62)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Purchase of Fixed Assets		(1543.11)	(1928.96)
Sale of Fixed Assets		19.50	14.75
Sale of Investment		2640.40	24.20
Purchase of Investments		(4107.40)	(24.70)
Interest Received		190.41	92.09
Dividend Received		5.02	2.18
Net Cash flow from Investing Activities	[B]	(2795.18)	(1820.44)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Proceeds from Borrowings		12880.72	9200.52
Repayment of Borrowings		(11216.25)	(3548.87)
Dividends Paid		(411.80)	(339.13)
Interest Paid		(1779.81)	(1744.67)
Net Cash used in Financing Activities	[C]	(527.14)	3567.85
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]</b>		314.11	(970.21)
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD</b>		1976.74	2946.95
<b>CASH AND CASH EQUIVALENTS AS AT END OF PERIOD</b>		<b>2290.85</b>	<b>1976.74</b>
		<b>314.11</b>	<b>(970.21)</b>

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: 26th May, 2010



**THE INDIAN HUME PIPE COMPANY LIMITED**

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

Chairman & Managing Director

Directors

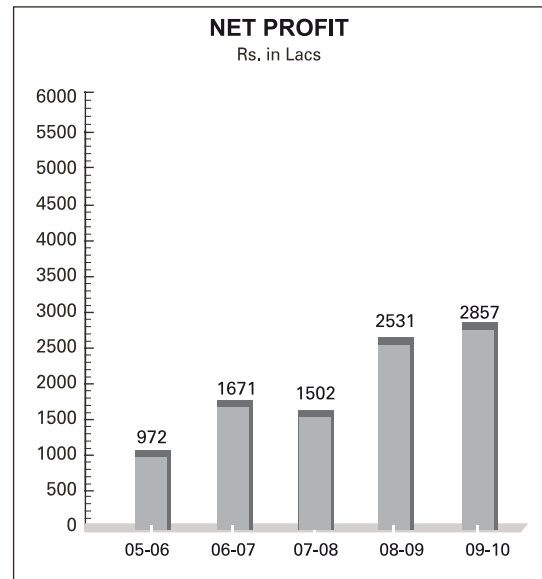
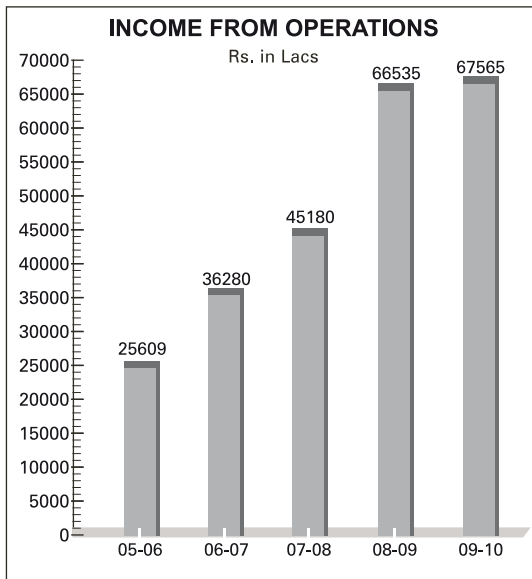
S M MANDKE

Company Secretary

Mumbai: 26th May, 2010

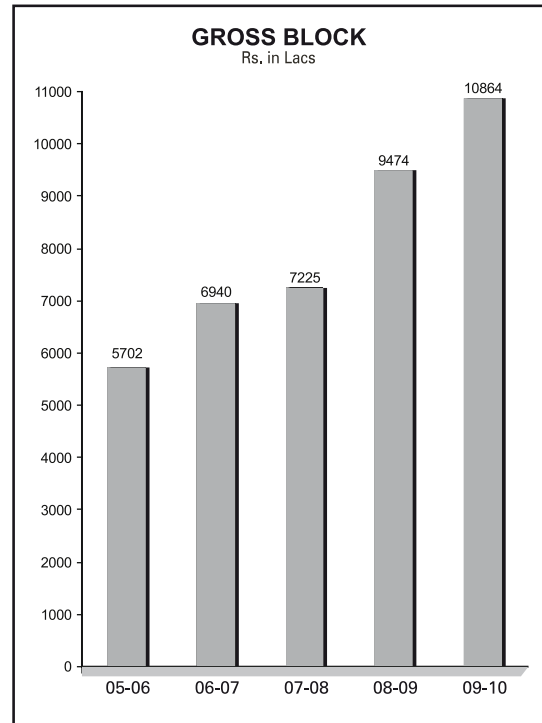
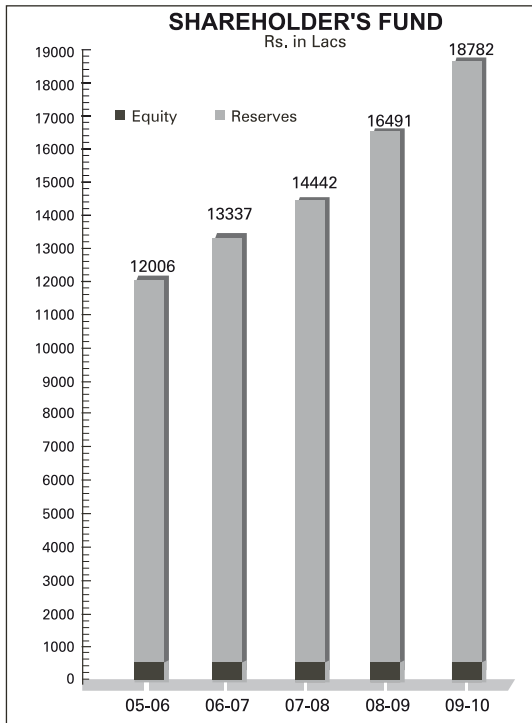
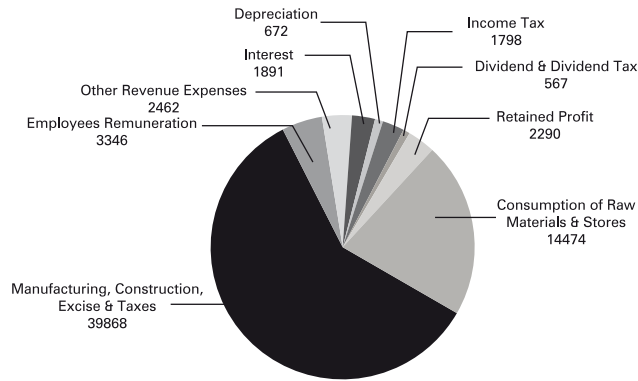
# IMPORTANT FINANCIAL STATISTICS

Year	Paid up Capital				Fixed Assets							
	Equity Capital	Preference Capital	Reserves & Surplus	Net Worth	Debtures	Gross Block	Net Block	No of Factories / Projects	Income from Operations	Net Profit	Dividend Paid on Preference & Equity Shares	Dividend on Equity Shares
	Rs in Lacs	Rs in Lacs	Rs in Lacs	Rs in Lacs	Rs in Lacs	Rs in Lacs	Rs in Lacs		Rs in Lacs	Rs in Lacs	Rs in 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	250.62	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	10.00 +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 +4 % (Jubilee Dividend)
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 +4 %
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 Bonus 1:4
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 +3 % (Walchand Centenary Dividend)
82-83	150.00	50.00	382.13	582.13	-	1038.37	389.45	50	2018.93	85.90	25.01	15.00
83-84	150.00	50.00	551.85	751.85	-	1110.46	395.22	49	2190.96	176.38	49.51	18.00
84-85	225.05	50.00	830.58	905.63	200.00	1340.53	509.86	51	2474.28	163.31	31.01	18.00 Bonus 1:2
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 +3% (Diamond Jubilee Dividend)
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 (For 9 months period)
89-90	337.58	-	1050.89	1388.47	492.50	1893.35	664.92	51	5542.73	107.56	50.64	15.00 Bonus 1:2
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 (For 18 months period)
92-93	337.58	-	1086.34	1423.92	409.00	2122.21	892.55	47	4503.52	123.15	25.32	15.00 (For 6 months period)
93-94	387.58	-	1177.08	1564.66	286.33	2278.75	956.67	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 +5% (Seventieth Anniversary Dividend)
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 +5% (Platinum Jubilee Dividend)
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 +200% (Special Interim Dividend)
04-05	290.68	-	10991.86	11282.54	-	4600.27	1926.83	31	21040.25	2535.71	436.02	50.00 +100% (Special Interim Dividend)
05-06	484.47	-	11521.75	12006.22	-	5701.92	2828.08	32	25608.72	972.27	218.01	40.00 +5% (Eightieth Anniversary Dividend) & Bonus 2:3
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



### DISTRIBUTION OF INCOME, EXPENDITURE & PROFIT

Rs. in Lacs







# 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 Fourth 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 Thursday, 29th July, 2010 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 Fourth Annual General Meeting of the Company to be held on Thursday, 29th July, 2010 at 4.00 P. M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

Signature \_\_\_\_\_

Affix  
Revenue  
Stamp

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 Fourth 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

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 take on record my / our new address for your future communications.

Name and New Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Pin \_\_\_\_\_

Registered Folio No. /D. P. ID & Client ID  
[to be filled by the Member(s)]

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

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