



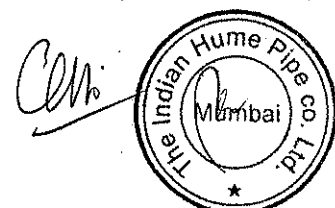
# The Indian Hume Pipe Co. Ltd.

Registered Office : Construction House, 5, Walchand Hirachand Road, Ballard Estate, Mumbai - 400 001. INDIA  
Tel. : +91-22-22618091, +91-22-40748181 • Fax : +91-22-22656863 • E-mail : info@indianhumpipe.com • Visit us at : www.indianhumpipe.com  
CIN : L51500MH1926PLC001255

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017

(₹ in Lakhs)

Sr. No.	PARTICULARS	Quarter ended			Six months ended	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
		30-09-2017	30-06-2017	30-09-2016	30-09-2017	30-09-2016
<b>1</b>	<b>Revenue</b>					
	a. Revenue from operations	21686.83	57659.73	45461.52	79346.56	90751.26
	b. Other income	70.96	69.21	69.31	140.17	121.38
	<b>Total revenue</b>	<b>21757.79</b>	<b>57728.94</b>	<b>45530.83</b>	<b>79486.73</b>	<b>90872.64</b>
<b>2</b>	<b>Expenses</b>					
	a. Cost of materials consumed	3457.53	4207.19	3101.04	7664.72	6452.68
	b. Purchase of traded goods	0.00	0.00	0.00	0.00	109.36
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	(405.97)	18.08	308.04	(387.89)	138.07
	d. Construction expenses	12995.85	39829.23	32374.63	52825.08	63826.36
	e. Manufacturing and other expenses	369.94	400.93	311.53	770.87	668.30
	f. Employees benefits expenses	1594.46	1769.22	1637.02	3363.68	3262.58
	g. Excise duty and taxes	269.68	3208.91	2159.59	3478.59	4698.98
	h. Finance costs	1131.07	1079.77	1273.84	2210.84	2370.47
	i. Depreciation and amortisation expenses	261.23	249.79	262.12	511.02	492.58
	j. Other expenses (Refer Note 7)	901.80	3911.47	799.61	4813.27	1596.80
	<b>Total expenses</b>	<b>20575.59</b>	<b>54674.59</b>	<b>42227.42</b>	<b>75250.18</b>	<b>83616.18</b>
<b>3</b>	<b>Profit from ordinary activities before exceptional items (1-2)</b>	<b>1182.20</b>	<b>3054.35</b>	<b>3303.41</b>	<b>4236.55</b>	<b>7256.46</b>
<b>4</b>	<b>Exceptional Items</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>5</b>	<b>Profit from ordinary activities before tax (3+4)</b>	<b>1182.20</b>	<b>3054.35</b>	<b>3303.41</b>	<b>4236.55</b>	<b>7256.46</b>
<b>6</b>	<b>Tax expenses</b>					
	a. Current tax	448.00	2165.00	1204.00	2613.00	2607.00
	b. Deferred tax	(97.95)	(1097.00)	(53.84)	(1194.95)	(82.81)
	<b>Total tax expenses</b>	<b>350.05</b>	<b>1068.00</b>	<b>1150.16</b>	<b>1418.05</b>	<b>2524.19</b>
<b>7</b>	<b>Net profit from ordinary activities after tax (5-6)</b>	<b>832.15</b>	<b>1986.35</b>	<b>2153.25</b>	<b>2818.50</b>	<b>4732.27</b>
<b>8</b>	<b>Extraordinary items (net of tax expenses)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>9</b>	<b>Net profit for the period (7+8)</b>	<b>832.15</b>	<b>1986.35</b>	<b>2153.25</b>	<b>2818.50</b>	<b>4732.27</b>
<b>10</b>	<b>Other comprehensive income</b>					
	a. Items not to be reclassified subsequently to profit or loss					
	- Actuarial Gain/(Loss) on defined benefit plans	(25.85)	(40.11)	21.53	(65.96)	28.38
	- Tax impact on above adjustment	8.95	13.88	(7.45)	22.83	(9.82)
	- Gain/(Loss) on fair value of equity instruments	(10.66)	(5.53)	39.97	(16.19)	48.87
	b. Items to be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00
	<b>Other comprehensive income for the period (net of tax)</b>	<b>(27.56)</b>	<b>(31.76)</b>	<b>54.05</b>	<b>(59.32)</b>	<b>67.43</b>
<b>11</b>	<b>Total comprehensive income for the period (9+10)</b>	<b>804.59</b>	<b>1954.59</b>	<b>2207.30</b>	<b>2759.18</b>	<b>4799.70</b>
<b>12</b>	<b>Paid-up equity share capital</b> (Face value of ₹ 2/- each)	<b>968.94</b>	<b>968.94</b>	<b>484.47</b>	<b>968.94</b>	<b>484.47</b>
<b>13</b>	<b>Earnings per share (of ₹ 2/- each) (*not annualised)</b>					
	Basic and Diluted earnings per share (in ₹) (before extraordinary items)	1.72*	4.10*	4.44*	5.82*	9.77*
	Basic and Diluted earnings per share (in ₹) (after extraordinary items)	1.72*	4.10*	4.44*	5.82*	9.77*
	(Refer Note 6)					



**NOTES:**

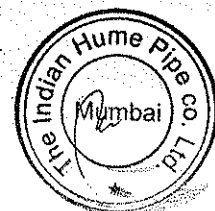
- 1 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Company adopted IND AS from April 1, 2017, and accordingly, these financial results (including corresponding quarter and six months ended September 30, 2016) have been prepared in accordance with the recognition and measurement principles in IND AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on December 7, 2017. In compliance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a limited review of the above results has been carried out by the Statutory Auditors.
- 3 The Company is engaged in the construction activities. The margins in the quarterly results vary based on the nature, type and quantum of project work executed during the quarter. Due to this reason, quarterly results may vary in different quarters and may not be indicative of annual results.
- 4 The Government of India introduced the Goods and Service Tax (GST) with effect from July 1, 2017. GST is collected on behalf of the Government and no economic benefit flows to the entity and hence Gross Revenue under GST regime is presented excluding GST as per IND AS 18 – Revenue. However, Gross Revenue under pre-GST regime included Excise Duty which is now subsumed in GST. Consequently, the figures for the quarter and half year ended September 30, 2017 are not comparable with the previous periods presented in the results.
- 5 Reconciliation of the financial results to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Particulars	(₹ in Lakhs)	
	Quarter ended 30-09-2016	Six months ended 30-09-2016
<b>Net profit for the period reported under previous GAAP</b>	<b>2175.61</b>	<b>4775.37</b>
Re-classification of actuarial (gain)/losses, arising in respect of defined benefit plans, to other comprehensive income (OCI)	(21.53)	(28.38)
Allowance for expected credit loss	(12.67)	(37.53)
Tax adjustments on above	11.84	22.81
<b>Net profit for the period under IND AS</b>	<b>2153.25</b>	<b>4732.27</b>
Other Comprehensive Income (Net of tax)	54.05	67.43
<b>Total Comprehensive Income as reported under IND AS</b>	<b>2207.30</b>	<b>4799.70</b>

- 6 During the previous year, 2,42,23,585 Equity Shares of ₹ 2/- each were issued and allotted (w.e.f. December 14, 2016) as fully paid Bonus Shares in the proportion of One Bonus Share of ₹ 2/- each for every One Equity Share of ₹ 2/- each held by shareholders as on the Record Date by capitalisation of free reserves. Pursuant to the issue and allotment of Bonus Shares, the earnings per share (Basic and Diluted) have been adjusted for the quarter and six months ended September 30, 2016 stated above.



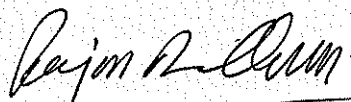
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7 In respect of certain 'Works Contracts' executed in earlier years in the State of Rajasthan, the Company had paid sales tax using Exemption Fee (Composition) Scheme under Rajasthan Sales Tax Law on such 'Works Contracts' based on certain rules notified under the Sales Tax Act then prevailing. The Sales Tax Department had since challenged the Company's position and claimed that such 'Works Contracts' be treated as a divisible contracts and be subjected to tax component-wise and had accordingly raised a demand, which was challenged by the Company. The Company had also filed a Special Leave Petition with the Hon'ble Supreme Court, against the common final judgment Order dated February 13, 2015 passed by the Hon'ble High Court of Rajasthan. Subsequently the Hon'ble Supreme Court rejected the appeal filed by the Company by Order dated August 28, 2017. The Company, based on legal advise, has filed an application seeking recall of the said order. Pending outcome of the 'recall application', on a prudent basis, the Company has made a provision of ₹ 3033 Lakhs against sales tax demand (including interest thereon of ₹ 2132 Lakhs) under the item 2(j) in the results of the quarter ended June 30, 2017 and six months ended September 30, 2017. For admission of recall petition, hearing in Hon'ble Supreme Court of India is expected shortly.

8 As approved by the Members of the Company at the 91<sup>st</sup> Annual General Meeting held on July 10, 2017, the Company has disbursed on July 13, 2017 a final dividend of ₹ 2.40 per equity share of the face value of ₹ 2 each aggregating ₹ 1162.73 Lakhs and the corporate tax on such dividend aggregates ₹ 236.70 Lakhs.

For THE INDIAN HUME PIPE CO. LTD.

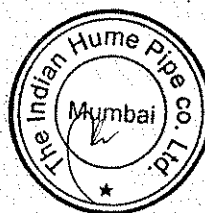


RAJAS R DOSHI

CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai

Date : December 7, 2017



**SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES  
FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017**

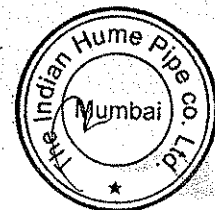
(₹ in Lakhs)

Sr. No.	PARTICULARS	Quarter ended			Six months ended	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
		30-09-2017	30-06-2017	30-09-2016	30-09-2017	30-09-2016
<b>1</b>	<b>Segment Revenue</b>					
	a. Construction contracts including Water supply schemes, pipe supply & laying projects	21242.81	57230.90	45377.87	78473.71	90430.63
	b. Others	444.02	428.83	83.65	872.85	320.63
	<b>Total</b>	<b>21686.83</b>	<b>57659.73</b>	<b>45461.52</b>	<b>79346.56</b>	<b>90751.26</b>
	Less: Inter-segment revenue	0.00	0.00	0.00	0.00	0.00
	<b>Net Income from Operations</b>	<b>21686.83</b>	<b>57659.73</b>	<b>45461.52</b>	<b>79346.56</b>	<b>90751.26</b>
<b>2</b>	<b>Segment Results</b>					
	Profit/(Loss) before tax and finance costs					
	a. Construction contracts including Water supply schemes, pipe supply & laying projects	2902.56	4997.84	5531.89	7900.40	11535.58
	b. Others	62.24	92.29	(4.53)	154.53	(4.54)
	c. Exceptional items	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>2964.80</b>	<b>5090.13</b>	<b>5527.36</b>	<b>8054.93</b>	<b>11531.04</b>
	Less: Finance costs	1131.07	1079.77	1273.84	2210.84	2370.47
	Less/Add: Excess of Unallocable Expenditure over Unallocable (Income)	651.53	956.01	950.11	1607.54	1904.11
	<b>Total Profit before Tax</b>	<b>1182.20</b>	<b>3054.35</b>	<b>3303.41</b>	<b>4236.55</b>	<b>7256.46</b>
<b>3</b>	<b>Segment Assets</b>					
	a. Construction contracts including Water supply schemes, pipe supply & laying projects	142909.76	160193.71	136490.67	142909.76	136490.67
	b. Others	2681.65	2391.27	1461.93	2681.65	1461.93
	Unallocable Corporate Assets	2902.90	1072.05	1479.60	2902.90	1479.60
	<b>Total Assets</b>	<b>148494.31</b>	<b>163657.03</b>	<b>139432.20</b>	<b>148494.31</b>	<b>139432.20</b>
<b>4</b>	<b>Segment Liabilities</b>					
	a. Construction contracts including Water supply schemes, pipe supply & laying projects	60379.58	79487.02	57445.67	60379.58	57445.67
	b. Others	2580.69	2449.09	1774.96	2580.69	1774.96
	Unallocable Corporate Liabilities	44106.95	39675.68	44736.02	44106.95	44736.02
	<b>Total Liabilities</b>	<b>107067.22</b>	<b>121611.79</b>	<b>103956.65</b>	<b>107067.22</b>	<b>103956.65</b>
<b>5</b>	<b>Capital Employed</b>					
	a. Construction contracts including Water supply schemes, pipe supply & laying projects	82530.18	80706.69	79045.00	82530.18	79045.00
	b. Others	100.96	(57.82)	(313.03)	100.96	(313.03)
	Unallocable Capital Employed	(41204.05)	(38603.63)	(43256.42)	(41204.05)	(43256.42)
	<b>Total Capital Employed</b>	<b>41427.09</b>	<b>42045.24</b>	<b>35475.55</b>	<b>41427.09</b>	<b>35475.55</b>

"Others" segment include Railway Sleepers, Air Rifles, Development of Land and other Miscellaneous items.



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**STATEMENT OF ASSETS AND LIABILITIES  
AS ON SEPTEMBER 30, 2017**

(₹ in Lakhs)

PARTICULARS	Unaudited 30-09-2017
<b>A ASSETS</b>	
<b>1 Non-current assets</b>	
(a) Property, plant and equipment	6939.09
(b) Capital work-in-progress	176.48
(c) Investment property	717.10
(d) Intangible assets	41.65
(e) Financial assets	
(i) Investments	235.72
(ii) Trade receivables	1372.71
(iii) Other financial assets	491.41
(f) Deferred tax assets (net)	1284.37
(g) Other non-current assets	1125.69
<b>Total non-current assets</b>	<b>12384.22</b>
<b>2 Current Assets</b>	
(a) Inventories	6226.18
(b) Financial assets	
(i) Trade receivables	46184.32
(ii) Cash and cash equivalents	547.06
(iii) Other bank balances	472.69
(iv) Other financial assets	64979.17
(c) Other current assets	17700.67
<b>Total current assets</b>	<b>136110.09</b>
<b>Total assets</b>	<b>148494.31</b>

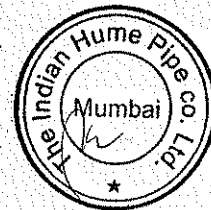


(₹ in Lakhs)

PARTICULARS	Unaudited 30-09-2017
<b>B EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
(a) Equity share capital	968.94
(b) Other equity	40458.15
<b>Total equity</b>	<b>41427.09</b>
<b>Liabilities</b>	
<b>1 Non-current liabilities</b>	
(a) Financial liabilities	
(i) Borrowings	406.47
(ii) Trade payables	706.47
(iii) Other financial liabilities	63.45
(b) Provisions	314.17
(c) Other non-current liabilities	109.51
<b>Total non-current liabilities</b>	<b>1600.07</b>
<b>2 Current liabilities</b>	
(a) Financial liabilities	
(i) Borrowings	40642.29
(ii) Trade payables	33464.25
(iii) Other financial liabilities	6273.19
(b) Other current liabilities	23775.88
(c) Provisions	867.54
(d) Current tax liabilities (net)	444.00
<b>Total current liabilities</b>	<b>105467.15</b>
<b>Total liabilities</b>	<b>107067.22</b>
<b>Total equity and liabilities</b>	<b>148494.31</b>



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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF IN  
TERIM FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
THE INDIAN HUME PIPE COMPANY LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **THE INDIAN HUME PIPE COMPANY LIMITED** ("the Company"), for the quarter and half year ended September 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

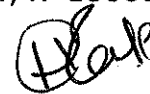
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

# Deloitte Haskins & Sells LLP

4. The previously issued financial information of the Company for the quarter and half year ended September 30, 2016 was prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and was reviewed by the predecessor auditor whose report dated October 26, 2016 expressed an unmodified conclusion. This previously issued financial information has been restated to comply with Ind AS and included in this Statement as comparative financial information. The adjustments made to the previously issued financial information to comply with Ind AS have been reviewed by us.

Our report is not modified in respect of this matter.

✓  
For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Kedar Raje  
Partner  
(Membership No. 102637)

MUMBAI, December 7, 2017





# The Indian Hume Pipe Co. Ltd.

Registered Office : Construction House, 5, Walchand Hirachand Road, Ballard Estate, Mumbai - 400 001, INDIA  
Tel. : +91-22-22618091, +91-22-40748181 • Fax : +91-22-22656863 • E-mail : info@indianhumpipe.com • Visit us at : www.indianhumpipe.com  
CIN : L51500MH1926PLC001255

## PRESS RELEASE

### Second Quarter

The Indian Hume Pipe Company Ltd (IHP) reported a total income of ₹ **21,757.79 Lakhs** excluding GST for the 2<sup>nd</sup> quarter of the current year as against ₹ 45,530.83 Lakhs (including taxes) in the corresponding quarter of the previous year. The Company has reported an **EBIDTA of ₹ 2,503.54 Lakhs** and a **Net Profit of ₹ 832.15 Lakhs** as against ₹ 4,770.06 Lakhs and ₹ 2,153.25 Lakhs reported respectively in the corresponding quarter of the previous year. The company has posted an **EPS of ₹ 1.72** for 2<sup>nd</sup> quarter as against ₹ 4.44 in the corresponding quarter of the previous year.

### Six Months Period

The company has reported a total income of ₹ **79,486.73 Lakhs** excluding GST for the six months period of the current year as against ₹ 90,872.64 Lakhs (including taxes) in the corresponding six months period of the previous year. The company has reported on **EBIDTA of ₹ 6,818.24 Lakhs** and **Net Profit of ₹ 2,818.50 Lakhs** for the six months period ended 30<sup>th</sup> September, 2017 as against ₹ 9,998.13 Lakhs and ₹ 4,732.27 Lakhs reported respectively in the corresponding period of the previous year. The company has posted an **EPS of ₹ 5.82** for the six months period as against ₹ 9.77 in the corresponding six months of the previous year.

The major stream of revenue for the Company comes from execution of Drinking Water Projects. Pre-GST such contracts executed for Government were exempt from Service Tax, Excise Duty was exempt on Pipes and other material used in execution of these contracts and Works Contract Tax/VAT of approximately 5% was applicable in most of the cases. On rollout of GST, these contracts were placed initially in 18% slab and w.e.f. 22<sup>nd</sup> August, 2017 in 12% slab. Customer base of the Company is various State Governments and contracts were entered Pre-GST. Further supplies from vendors were also affected due to GST implementation. This has created transitional challenges, affecting execution of contracts in this quarter.

As such, inspite of having sufficient orders on hand in first six months period there is a decline in revenue by 12.53% compared to the corresponding six months period of the previous year.

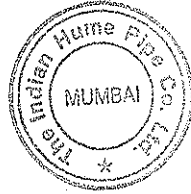
The Company has represented to all its clients for carrying out necessary amendments to the contract and compensate the additional tax liability. The Company feels that there will be more clarity in this matter in the next few months.



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**Order Book**

The estimated balance value of the work as at November 30, 2017 is ₹ 3,41,252 Lakhs as against ₹ 2,61,385 Lakhs as at October 26, 2016, the Board Meeting date of the corresponding period of the previous year.



For THE INDIAN HUME PIPE CO. LTD.

A handwritten signature in black ink, appearing to read "Rajas R Doshi".

RAJAS R DOSHI

CHAIRMAN & MANAGING DIRECTOR

Place: Mumbai

Date : December 7, 2017